

AGENDA
CITY COUNCIL OF THE CITY OF MORENO VALLEY
MORENO VALLEY COMMUNITY SERVICES DISTRICT
CITY AS SUCCESSOR AGENCY FOR THE
COMMUNITY REDEVELOPMENT AGENCY OF
THE CITY OF MORENO VALLEY
MORENO VALLEY HOUSING AUTHORITY
BOARD OF LIBRARY TRUSTEES

December 9, 2014

SPECIAL PRESENTATIONS – 5:30 P.M.
REGULAR MEETING – 6:00 P.M.

City Council Study Sessions

First & Third Tuesdays of each month – 6:00 p.m.

City Council Meetings

Second & Fourth Tuesdays of each month – 6:00 p.m.

City Council Closed Sessions

*Immediately following Regular City Council Meetings and
Study Sessions, unless no Closed Session Items are Scheduled*

City Hall Council Chamber - 14177 Frederick Street

Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, in compliance with the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to Mark Sambito, ADA Coordinator, at 951.413.3120 at least 48 hours before the meeting. The 48-hour notification will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

Victoria Baca, Mayor Pro Tem
Richard A. Stewart, Council Member

Jesse L. Molina, Mayor

George E. Price, Council Member
_____, Council Member

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CITY COUNCIL OF THE CITY OF MORENO VALLEY
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CALL TO ORDER – 5:30 PM

SPECIAL PRESENTATIONS

1. Proclamation Recognizing John Terell
2. Presentation Recognizing Council Member Victoria Baca
3. Presentation Recognizing Council Member Richard A. Stewart

**AGENDA
JOINT MEETING OF THE
CITY COUNCIL OF THE CITY OF MORENO VALLEY
MORENO VALLEY COMMUNITY SERVICES DISTRICT
CITY AS SUCCESSOR AGENCY FOR THE
COMMUNITY REDEVELOPMENT AGENCY OF THE
CITY OF MORENO VALLEY
MORENO VALLEY HOUSING AUTHORITY
AND THE BOARD OF LIBRARY TRUSTEES**

***THE CITY COUNCIL RECEIVES A SEPARATE STIPEND FOR CSD
MEETINGS***

**REGULAR MEETING - 6:00 PM
DECEMBER 9, 2014**

CALL TO ORDER

Joint Meeting of the City Council, Community Services District, City as Successor Agency for the Community Redevelopment Agency, Housing Authority and the Board of Library Trustees - actions taken at the Joint Meeting are those of the Agency indicated on each Agenda item.

PLEDGE OF ALLEGIANCE

INVOCATION

Sheikh Hasan Radi, Masjid Al Rahma

ROLL CALL

INTRODUCTIONS

PUBLIC COMMENTS ON MATTERS ON THE AGENDA WILL BE TAKEN UP AS THE ITEM IS CALLED FOR BUSINESS, BETWEEN STAFF'S REPORT AND CITY COUNCIL DELIBERATION (SPEAKER SLIPS MAY BE TURNED IN UNTIL THE ITEM IS CALLED FOR BUSINESS.)

SPECIAL ORDER OF BUSINESS

- 1 RESOLUTION NO. 2014-95 CERTIFYING GENERAL MUNICIPAL ELECTION RESULTS

Recommendation That the City Council:

1. Adopt Resolution No. 2014-95. A Resolution of the City Council of the City of Moreno Valley, California, Reciting the Facts of the General

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Municipal and Special Recall Election held November 4, 2014,
Declaring the Results and Such Other Matters as Provided by Law.

- 2 SWEARING-IN OF COUNCIL MEMBERS ELECT
- 3 CITY COUNCIL REORGANIZATION – SELECTION OF MAYOR
AND MAYOR PRO TEM
(Report of: City Clerk Department)

Recommendation That the City Council:

1. Conduct the reorganization of the City Council by selecting two Council Members to serve one-year terms respectively as Mayor and Mayor Pro Tem.

PUBLIC COMMENTS ON ANY SUBJECT NOT ON THE AGENDA UNDER THE JURISDICTION OF THE CITY COUNCIL

Those wishing to speak should complete and submit a BLUE speaker slip to the Bailiff. There is a three-minute time limit per person. All remarks and questions shall be addressed to the presiding officer or to the City Council and not to any individual Council member, staff member or other person.

JOINT CONSENT CALENDARS (SECTIONS A-D)

All items listed under the Consent Calendars, Sections A, B, C, and D are considered to be routine and non-controversial, and may be enacted by one motion unless a member of the City Council, Community Services District, City as Successor Agency for the Community Redevelopment Agency, Housing Authority or the Board of Library Trustees requests that an item be removed for separate action. The motion to adopt the Consent Calendars is deemed to be a separate motion by each Agency and shall be so recorded by the City Clerk. Items withdrawn for report or discussion will be heard after public hearing items.

A. CONSENT CALENDAR-CITY COUNCIL

A.1 ORDINANCES - READING BY TITLE ONLY

Recommendation: Waive reading of all Ordinances.

A.2 MINUTES - REGULAR MEETING OF NOVEMBER 18, 2014 (Report of: City Clerk's Department)

Recommendation:

1. Approve as submitted.

A.3 AUTHORIZE THE AWARD OF THE CONSTRUCTION CONTRACT TO HILLCREST CONTRACTING FOR HEACOCK STREET WIDENING

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IMPROVEMENTS FROM SAN MICHELE ROAD TO PERRIS VALLEY
STORM DRAIN LATERAL A
PROJECT NO. 801 0027 70 77
(Report of: Public Works Department)

Recommendations

1. Award the construction contract to Hillcrest Contracting, 1467 Circle City Drive, Corona, CA 92879, the lowest responsible bidder, for the Heacock Street Widening Improvements from San Michele Road to Perris Valley Storm Drain Lateral A Project.
2. Authorize the City Manager to execute a contract with Hillcrest Contracting.
3. Authorize the issuance of a Purchase Order to Hillcrest Contracting, for the amount of \$1,538,634.72 (\$1,373,781 bid amount plus 12% contingency) when the contract has been signed by all parties.
4. Authorize the Public Works Director/City Engineer to execute any subsequent related minor change orders to the contract with Hillcrest Contracting up to, but not exceeding, the 12% contingency amount of \$164,853.72, subject to the approval of the City Attorney.
5. Appropriate \$24,000 from the unencumbered Measure A fund balance to Heacock Street Widening Improvements from San Michele Road to Perris Valley Storm Drain Lateral A (Account No. 2001-70-77-80001-720199) to cover the cost of bid items and administrative costs which are not Transportation Uniform Mitigation Fee reimbursable expenses.

A.4 ACCEPTANCE OF THE FISCAL YEAR 2014 HOMELAND SECURITY
GRANT PROGRAM (HSGP) AWARD
(Report of: Fire Department)

Recommendations

1. Accept the Fiscal Year 2014 Homeland Security Grant Program (HSGP) award of \$31,688 from the Riverside County Fire Office of Emergency Services.
2. Increase revenue and expenditures for the Emergency Management Grant Fund 2503 by \$4,584.

A.5 AMENDMENT NO. 2 - COOPERATION AGREEMENT BETWEEN THE
RIVERSIDE COUNTY FLOOD CONTROL & WATER CONSERVATION
DISTRICT, THE CITY OF MORENO VALLEY AND CITY AS SUCCESSOR
AGENCY FOR THE COMMUNITY REDEVELOPMENT AGENCY OF THE

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CITY OF MORENO VALLEY
(Report of: Public Works Department)

Recommendation:

1. Approve Amendment No. 2 for the Cooperation Agreement between the Riverside County Flood Control and Water Conservation District (“District”), the City of Moreno Valley (“City”) and City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley (“Agency”), and authorize the Mayor acting in both capacities, to execute Amendment No. 2.

A.6 RECEIPT OF QUARTERLY INVESTMENT REPORT – QUARTER ENDED
SEPTEMBER 30, 2014
(Report of: Financial & Management Services Department)

Recommendation:

1. Receive and file the Quarterly Investment Report for quarter ended September 30, 2014, in compliance with the City’s Investment Policy.

A.7 SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND (SLESF)
EXPENDITURE PLAN FOR FY 2014-15
(Report of: Financial & Management Services Department)

Recommendations

1. Approve the Supplemental Law Enforcement Services Fund (SLESF) Expenditure Plan for FY 2014-15.
2. Approve a decrease of \$5,804 to the SLESF Grant Fund FY 2014-15 revenue budget (account 2410-60-69-76012-486000) to reflect the total FY 2014-15 allocation of \$319,196.
3. Approve a decrease of \$5,804 to the SLESF Grant Fund FY 2014-15 expenditure budget (account 2410-60-69-76012-620320) to reflect the FY 2014-15 planned expenditure of \$319,196.

A.8 COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR
ENDED JUNE 30, 2014
(Report of: Financial & Management Services Department)

Recommendation:

1. Receive and file the Comprehensive Annual Financial Report for the fiscal year that ended June 30, 2014.

A.9 AUTHORIZATION TO AWARD AGREEMENT FOR PROFESSIONAL
CONSULTANT DESIGN SERVICES TO TRANSPORTATION & ENERGY
SOLUTIONS, INC., FOR THE ITS DEPLOYMENT PHASE 1B AND

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DYNAMIC MESSAGE BOARDS PROJECTS
PROJECT NOS. 808 0015 AND 808 0016
(Report of: Public Works Department)

Recommendations

1. Approve the Agreement for Professional Consultant Services with Transportation & Energy Solutions, Inc., to provide design services for the ITS Deployment Phase 1B and Dynamic Message Boards projects.
2. Authorize the City Manager to execute the Agreement for Professional Consultant Services with Transportation & Energy Solutions, Inc.
3. Authorize issuance of a Purchase Order to Transportation & Energy Solutions, Inc. in the amount of up to but not to exceed \$265,043 once the Agreement has been signed by all parties.

A.10 ACCEPTANCE OF CYCLE 1 ACTIVE TRANSPORTATION PROGRAM (ATP) GRANT AND FUNDING APPROPRIATION FOR THE CITYWIDE SAFE ROUTES TO SCHOOL PEDESTRIAN FACILITY IMPROVEMENTS PROJECT
(Report of: Public Works Department)

Recommendations

1. Accept the California Active Transportation Program (ATP) Cycle 1 grant award of up to \$1,640,000 in funds for the Citywide Safe Routes to School Pedestrian Facility Improvements project.
2. Authorize the Chief Financial Officer to appropriate \$1,640,000 as revenue and expense in the Capital Projects Reimbursements fund (Fund 2301), and \$95,000 as expense in the Measure A Fund (Fund 2001) for the Citywide Safe Routes to School Pedestrian Facility Improvements project.
3. Amend the Fiscal Year 2014/2015 Adopted Capital Improvement Plan to include the Citywide Safe Routes to School Pedestrian Facility Improvements project as a funded project.

A.11 PURSUANT TO LANDOWNER PETITION, ANNEX ASSESSOR'S PARCEL NUMBERS 481-250-002 AND 481-250-003 INTO COMMUNITY FACILITIES DISTRICT NO. 2014-01 (MAINTENANCE SERVICES)—AMENDMENT NO. 1
(Report of: Financial & Management Services Department)

Recommendation:

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1. As the legislative body of Community Facilities District No. 2014-01 (Maintenance Services) approve and adopt Resolution No. 2014-97. A Resolution of the City Council of the City of Moreno Valley, California, Ordering the Annexation of Territory to City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services) and Approving an Amended Map for said District.
- A.12 PA14-0021 (PM 36752) – APPROVE PARCEL MAP AND ACCEPT THE AGREEMENT AND SECURITY FOR PUBLIC IMPROVEMENTS. DEVELOPER – CP MORENO VALLEY DPSS, LLC, RANCHO CORDOVA, CA 95670
(Report of: Public Works Department)

Recommendations

1. Approve Parcel Map 36752 for PA14-0021, authorize the City Clerk to sign the map and transmit map to the County Recorder’s Office for recordation.
 2. Accept the Agreement and Security for Public Improvements for CP Moreno Valley DPSS, LLC.
 3. Authorize the Mayor to execute the Agreement.
 4. Direct the City Clerk to forward the signed Agreement to the County Recorder’s Office for recordation.
 5. Authorize the City Engineer to execute any future time extension amendments to the agreement, subject to City Attorney approval, if the required public improvements are not completed within said timeframe.
- A.13 PA13-0012 (PM 36463) HARBOR FREIGHT TOOLS EXPANSION LOCATED AT 23400 CACTUS AVENUE – APPROVE PARCEL MAP 36463 BOUNDED BY FREDERICK STREET, BRODIAEA AVENUE, GRAHAM STREET AND CACTUS AVENUE
DEVELOPER – RIDGE MORENO VALLEY, LLC, IRVINE, CA 92612.
OWNER – IIT INLAND EMPIRE LOGISTICS CENTER LP, NEWPORT BEACH, CA 92660
(Report of: Public Works Department)

Recommendations

1. Approve Parcel Map 36463 for PA13-0012.
2. Authorize the City Clerk to sign the map and transmit map to the County Recorder’s Office for recordation.

- A.14 ADOPT RESOLUTIONS APPROVING THE TRANSFER OF TITLES FROM PROPERTIES OF THE FORMER COMMUNITY REDEVELOPMENT AGENCY TO THE CITY OF MORENO VALLEY AND AUTHORIZE THE CITY CLERK TO ACCEPT AND CONSENT TO THE DEEDS OR GRANTS OF THE PROPERTIES
(Report of: Financial & Management Services Department)

Recommendations

1. Adopt Resolution No. SA 2014-05. A Resolution of the City Council of the City of Moreno Valley Serving as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley, California, Approving the Transfer of Titles of the Conference and Recreation Center Property and the Property Located at Cactus Avenue and Day Street from the Former Community Redevelopment Agency to the City of Moreno Valley.
2. Adopt Resolution No. 2014-98. A Resolution of the City Council of the City of Moreno Valley, California, Authorizing the City Clerk to Accept and Consent to the Deeds or Grants for the Conference and Recreation Center Property and the Property Located at Cactus Avenue and Day Street being Transferred to the City of Moreno Valley from the Former Community Redevelopment Agency as Assigned to the Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley.
3. Authorize the Executive Director or their assignee to execute quit claim deeds and to direct staff to take the necessary action to record the fully-executed deeds.

- A.15 A RESOLUTION AUTHORIZING THE SUBMITTAL OF AN APPLICATION TO THE CALIFORNIA DEPARTMENT OF WATER RESOURCES FOR THE 2014 WATER-ENERGY GRANT
(Report of: Financial & Management Services Department)

Recommendation:

1. Adopt Resolution No. 2014-98. A Resolution of the City Council of the City of Moreno Valley, California, Authorizing the Submittal of an Application to the California Department of Water Resources for the 2014 Water-Energy Grant.

- A.16 RECEIVE THE ANNUAL REPORT ON DEVELOPMENT IMPACT FEES FOR FISCAL YEAR 2013-14
(Report of: Financial & Management Services Department)

Recommendations

1. Approve and accept the Annual Report on Development Impact Fees

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in compliance with California Government Code Section 66006.

2. Approve the finding that staff has demonstrated a continuing need to hold unexpended Development Impact Fees.

A.17 AUTHORIZATION TO ACCEPT A \$25,000 GRANT FROM THE DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL, "MINOR DECOY/SHOULDER TAP PROGRAM"
(Report of: Police Department)

Recommendations

1. Authorization for the Police Department to accept a \$25,000 grant from the Department of Alcoholic Beverage Control (ABC), to conduct Minor Decoy/Shoulder Tap programs, for the period beginning October 1, 2014, and ending September 30, 2015.
2. Authorize all Police Department personnel overtime costs associated with this grant be directly billed to the Riverside County Sheriff's Department Grant Unit that will manage and reconcile the funds for this grant. All reimbursement funds will be sent directly to the Sheriff's Department and will not affect the City revenue or expense budgets. No appropriations or expenditures will be encumbered by the City, and the Police Department is not requesting a change to Police revenue or expense budgets for FY2014/2015.

B. CONSENT CALENDAR-COMMUNITY SERVICES DISTRICT

B.1 ORDINANCES - READING BY TITLE ONLY

Recommendation: Waive reading of all Ordinances.

B.2 MINUTES - REGULAR MEETING OF NOVEMBER 18, 2014 (Report of: City Clerk's Department)

Recommendation:

1. Approve as submitted.

C. CONSENT CALENDAR - HOUSING AUTHORITY

C.1 ORDINANCES - READING BY TITLE ONLY

Recommendation: Waive reading of all Ordinances.

C.2 MINUTES - REGULAR MEETING OF NOVEMBER 18, 2014 ((Report of: City Clerk's Department)

Recommendation:

1. Approve as submitted.

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D. CONSENT CALENDAR - BOARD OF LIBRARY TRUSTEES

D.1 ORDINANCES - READING BY TITLE ONLY

Recommendation: Waive reading of all Ordinances.

D.2 MINUTES - REGULAR MEETING OF NOVEMBER 18, 2014 (Report of: City Clerk's Department)

Recommendation:

1. Approve as submitted.

E. PUBLIC HEARINGS

Questions or comments from the public on a Public Hearing matter are limited to five minutes per individual and must pertain to the subject under consideration. Those wishing to speak should complete and submit a GOLDENROD speaker slip to the Bailiff.

E.1 PUBLIC HEARING TO COLLECT COMMUNITY NEEDS COMMENTS AND ADOPTION OF FY 2015-2016 CDBG AND HOME PROGRAM OBJECTIVES AND POLICIES

(Report of: Financial & Management Services Department)

Recommendations That the City Council:

1. Conduct a Public Hearing to allow for the community to comment on the needs of low-and-moderate income residents in Moreno Valley, including the CDBG Target Areas.
2. Approve the proposed CDBG and HOME Program Objectives and Policies for the 2015-2016 Program Year.

E.2 PUBLIC HEARING TO ADOPT SUBSTANTIAL AMENDMENT #2 TO THE 2014-15 ANNUAL ACTION PLAN AFFECTING THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)

(Report of: Financial & Management Services Department)

Recommendations That the City Council:

1. Conduct a Public Hearing to allow public comment on the proposed Substantial Amendment for CDBG.
2. Review and adopt the proposed Substantial Amendment to the FY 2014/15 Annual Action Plan.
3. Approve the necessary Revenue and Expense Appropriations and authorize the Chief Financial Officer/City Treasurer to process the

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adjustments.

4. Authorize the City Manager to reallocate grant funds between HUD-approved grant activities and to execute the necessary agreements for approved grant activities.

- E.3 A PUBLIC HEARING FOR THE PROLOGIS EUCALYPTUS INDUSTRIAL PARK PROJECT AND RELATED ENVIRONMENTAL IMPACT REPORT. THE PROJECT PROPOSES A GENERAL PLAN AMENDMENT FOR APPROXIMATELY 33 ACRES AND A ZONE CHANGE FOR APPROXIMATELY 84 ACRES. THE LAND USE CHANGES ARE REQUIRED FOR DEVELOPMENT OF FOUR WAREHOUSE DISTRIBUTION BUILDINGS TOTALING 1,529,498 SQUARE FEET. THE DEVELOPER ALSO PROPOSES TENTATIVE PARCEL MAP NO. 35679 TO SUBDIVIDE THE PROJECT SITE INTO FIVE PARCELS. A GENERAL PLAN AMENDMENT IS ALSO REQUIRED FOR PROPOSED CHANGES TO THE CITY'S GENERAL PLAN CIRCULATION ELEMENT AND THE MASTER PLAN OF TRAILS. THE SITE IS LOCATED SOUTH OF STATE ROUTE 60 AND EAST OF THE MORENO VALLEY AUTO MALL, AT FIR AVENUE (FUTURE EUCALYPTUS AVENUE) AND BETWEEN PETTIT STREET AND THE QUINCY CHANNEL. THE APPLICANT IS PROLOGIS. (CONTINUED FROM OCTOBER 14, 2014)
(Report of: Community & Economic Development Department)

Recommendations That the City Council:

1. Continue this item to the City Council meeting of January 27, 2015.

F. ITEMS REMOVED FROM CONSENT CALENDARS FOR DISCUSSION OR SEPARATE ACTION

G. REPORTS

- G.1 PUBLIC MEETING REGARDING THE NPDES MAIL BALLOT PROCEEDINGS TO APPROVE THE MAXIMUM RESIDENTIAL REGULATORY RATE FOR CV COMMUNITIES AND THE MAXIMUM COMMERCIAL REGULATORY RATE FOR PSIP INTEGRA MORENO VALLEY, LLC AND WOODHAVEN DEVELOPERS, INC. DEVELOPMENTS
(Report of: Financial & Management Services Department)

Recommendations That the City Council:

1. Accept public comments regarding the mail ballot proceedings for: 1) APNs 478-090-007, 478-090-036, 478-100-009, 478-100-010, and 478-100-034 for approval of the NPDES maximum residential regulatory rate to be applied to the property tax bill; 2) APNs 297-140-

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037, 297-140-038, 297-140-039, 297-140-040, 297-140-041, and 297-140-042 for approval of the NPDES maximum commercial regulatory rate to be applied to the property tax bill; and 3) APN 292-100-010 for approval of the NPDES maximum commercial regulatory rate to be applied to the property tax bill.

G.2 APPOINTMENT TO THE JULY 4TH ADVISORY BOARD (TEENAGE MEMBER)
(Report of: City Clerk Department)

Recommendations That the City Council:

1. Appoint Brian McMillian to the July 4th Advisory Board as a teenage member for a term expiring July 31, 2017, or until high school graduation, whichever comes first; or
2. If an appointment is not made, declare the position vacant and authorize the City Clerk to re-notice the position as vacant and carry over the current application for reconsideration of appointment at a future date.

G.3 DECLARING INTENTION TO PROVIDE FOR FUTURE ANNEXATION OF TERRITORY TO CITY OF MORENO VALLEY COMMUNITY FACILITIES DISTRICT NO. 2014-01 (MAINTENANCE SERVICES) AND TO AMEND AND RESTATE THE RATE AND METHOD OF APPORTIONMENT FOR THE DISTRICT TO DESIGNATE TAX RATE AREAS NO. LM-02 AND SL-02 AND REVISE THE RATE STRUCTURE FOR TAX RATE AREA NO. LM-01
(Report of: Financial & Management Services Department)

Recommendations That the City Council:

1. Adopt Resolution No. 2014-100. A Resolution of the City Council of the City of Moreno Valley, California, Declaring its Intention to Provide for Future Annexation of Territory to City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services) and to Amend and Restate the Rate and Method of Apportionment for the District to Designate Tax Rate Areas No. LM-02 and SL-02 and Revise the Rate Structure for Tax Rate Area No. LM-01.

G.4 FISCAL YEAR 2013/14 YEAR-END BUDGET REVIEW AND FISCAL YEAR 2014/15 FIRST QUARTER BUDGET REVIEW
(Report of: Financial & Management Services Department)

Recommendations That the City Council:

1. Receive and file the Fiscal Year 2013/14 year-end budget review
2. Receive and file the Fiscal Year 2014/15 first quarter budget review

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3. Approve the Position Control Roster. Specific positions are discussed within this staff report and listed on Attachment 3 to this staff report.

G.5 CITY MANAGER'S REPORT (Informational Oral Presentation - not for Council action)

G.6 CITY ATTORNEY'S REPORT (Informational Oral Presentation - not for Council action)

H. LEGISLATIVE ACTIONS

H.1 ORDINANCES - 1ST READING AND INTRODUCTION - NONE

H.2 ORDINANCES - 2ND READING AND ADOPTION

- H.2.1 ADOPT ORDINANCE NO. 886. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPROVING PA14-0054 (CHANGE OF ZONE) CHANGING THE ZONING FROM RESIDENTIAL 20 (R20) TO RESIDENTIAL 30 (R30) ON FOUR PARCELS APPROXIMATELY 13.9 ACRES (APNS: 291-050-003, 291-050-004, 291-050-012 AND 291-050-013) LOCATED AT THE SOUTHEAST CORNER OF BOX SPRINGS ROAD AND CLARK STREET (RECEIVED FIRST READING AND INTRODUCTION ON OCTOBER 28, 2014 BY A 3-0-1 VOTE, STEWART ABSENT) (Report of: Community & Economic Development Department)

Recommendations That the City Council:

1. ADOPT Ordinance No. 886. An Ordinance of the City Council of the City of Moreno Valley, California, Approving PA14-0054 (Change of Zone) changing the zoning from Residential 20 (R20) to Residential 30 (R30) on four parcels approximately 13.9 acres (APNS: 291-050-003, 291-050-004, 291-050-012 and 291-050-013) Located at the southeast corner of Box Springs Road and Clark Street.

H.3 ORDINANCES - URGENCY ORDINANCES - NONE

H.4 RESOLUTIONS - NONE

CLOSING COMMENTS AND/OR REPORTS OF THE CITY COUNCIL, COMMUNITY SERVICES DISTRICT, CITY AS SUCCESSOR AGENCY FOR THE COMMUNITY REDEVELOPMENT AGENCY OR HOUSING AUTHORITY

Materials related to an item on this Agenda submitted to the City Council/Community Services District/City as Successor Agency for the Community

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Redevelopment Agency/Housing Authority or Board of Library Trustees after distribution of the agenda packet are available for public inspection in the City Clerk's office at 14177 Frederick Street during normal business hours.

CLOSED SESSION

A Closed Session of the City Council, Community Services District, City as Successor Agency for the Community Redevelopment Agency and Housing Authority will be held in City Manager's Conference Room, Second Floor, City Hall. The City Council will meet in Closed Session to confer with its legal counsel regarding the following matter(s) and any additional matter(s) publicly and orally announced by the City Attorney in the Council Chamber at the time of convening the Closed Session.

- **PUBLIC COMMENTS ON MATTERS ON THE CLOSED SESSION AGENDA UNDER THE JURISDICTION OF THE CITY COUNCIL**

There is a three-minute time limit per person. Please complete and submit a BLUE speaker slip to the City Clerk. All remarks and questions shall be addressed to the presiding officer or to the City Council and not to any individual Council member, staff member or other person.

The Closed Session will be held pursuant to Government Code:

- 1 SIGNIFICANT EXPOSURE TO LITIGATION PURSUANT TO PARAGRAPH (2) OR (3) OF SUBDIVISION (D) OF SECTION 54956.9

Number of Cases: 5

- 2 SECTION 54956.9(d)(4) - CONFERENCE WITH LEGAL COUNSEL - INITIATION OF LITIGATION

Number of Cases: 5

REPORT OF ACTION FROM CLOSED SESSION, IF ANY, BY CITY ATTORNEY

ADJOURNMENT

CERTIFICATION

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, certify that the City Council Agenda was posted in the following places pursuant to City of Moreno Valley Resolution No. 2007-40:

City Hall, City of Moreno Valley
14177 Frederick Street

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Moreno Valley Library
25480 Alessandro Boulevard

Moreno Valley Senior/Community Center
25075 Fir Avenue

Jane Halstead, CMC,
City Clerk

Date Posted: December 3, 2014

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>d</i>

Report to City Council

TO: Mayor and City Council

FROM: Jane Halstead, City Clerk

AGENDA DATE: December 9, 2014

TITLE: RESOLUTION NO. 2014-95 CERTIFYING GENERAL MUNICIPAL AND SPECIAL RECALL ELECTION RESULTS

RECOMMENDED ACTION

Recommendation: That the City Council:

1. Adopt Resolution No. 2014-95. A Resolution of the City Council of the City of Moreno Valley, California, Reciting the Facts of the General Municipal and Special Recall Election held November 4, 2014, Declaring the Results and Such Other Matters as Provided by Law.

SUMMARY

On Tuesday, November 4, 2014, the City of Moreno Valley conducted a General Municipal and Special Recall Election for the purpose of electing Council Members in Districts 2, and 4, Recall of Council Member Victoria Baca in District 5 and for the purpose of submitting to the voters of said City four (4) ballot measures (Measures I – Term Limits for Moreno Valley City Council, R - Directly Elected Mayor and Reapportionment of Councilmanic Districts, S - Mayor – 2 Year Term, and T - Mayor 4 Year Term).

The Riverside County Registrar of Voter's has now completed the canvass of election returns as provided in §§10260 and 15301 of the California Elections Code and the City's Resolution No. 2014-35, 2014-49, 2014-65, and 2014-67 and has provided the required certificate of results, which is attached hereto as Exhibit A.

The names of persons voted for, and the number of votes given in the City for Member of the City Council for District 2 are as follows:

<u>Name:</u>	<u>Number of Votes:</u>
Alvin C. Horn	215
Charles Roberts	223
Glenn Fitzgerald Jacobs	678
Corey Jackson	1,262
Jeffrey Giba	1,269
Debra Craig	548
Marcia Amino	717
Madelene Muntz	268
Luke Fuller	699

The names of persons voted for, and the number of votes given in the City for Member of the City Council for District 4 are as follows:

<u>Name:</u>	<u>Number of Votes:</u>
Wraymond Sawyerr	741
Lori Nickel	319
Yxstian Gutierrez	1,274
Weldon L. Boone	163
Gwendolyn Cross	724
Jaime Moreno	268
Robin Wetmore	314
Takiya Moore (write-in candidate)	9

The question to Recall Victoria Baca and the response (yes or no) from the voters is listed below:

CITY OF MORENO VALLEY DISTRICT 5 TO RECALL VICTORIA BACA

The question to Recall Victoria Baca and the response (yes or no) from the voters is listed below:

Yes	1,834
No	1,159

The persons voted for and the number of votes given in the City for Member of the City Council for District 5 are as follows:

<u>Name:</u>	<u>Number of Votes:</u>
Dolores LaDonna Jempson	1,905
Donovan Saadiq	596

The titles of the measures and the number of votes given in the City of Moreno Valley are as follows:

Measure I – Term Limits for Moreno Valley City Council

Yes	16,488
No	4,339

Measure I received a majority of votes required. Measure I passed.

Measure R – Directly Elected Mayor and Reapportionment of Councilmanic Districts

Yes	15,312
No	5,278

Measure R received a majority of votes required. Measure R passed.

Measure S – Mayor – 2 Year Term

Yes	12,758
No	7,668

Measure S received a majority of votes required. Measure S passed.

Measure T – Mayor 4 Year Term

Yes	7,537
No	12,718

Measure T did not receive a majority of votes required. Measure T failed.

DISCUSSION

Pursuant to California Elections Code §10263, the City Council must declare the results of the General Municipal and Recall Election held on November 4, 2014, and install the newly elected officers no later than the next regularly scheduled City Council meeting following presentation of the 28-day canvass of the returns, or at a special meeting called for this purpose. Adoption of the proposed resolutions will comply with such statutory requirements.

FISCAL IMPACT

An early estimate from the Registrar's office for the cost of the election is \$45,000 - \$55,000 for District 2 and \$37,000 - \$47,000 for District 4. The lower figure is indicative if all jurisdictions scheduled for an election participate. The higher figure reflects an estimated amount of jurisdictions not participating in an election. The estimated cost for District 5 is \$9,710. The estimated election costs are currently included within the

adopted FY 2014/15 budget. An early estimate of the four (4) ballot measures submitted to the voters are \$45,000 - \$50,000 per measure. Once all invoices have been received from the Registrar of Voter's Office, any necessary budget adjustments will be presented to City Council for approval at a later date.

NOTIFICATION

Publication of the agenda.

ATTACHMENTS

1. Proposed Resolution

Prepared By:
Jane Halstead, City Clerk

Department Head Approval:
Jane Halstead, City Clerk

RESOLUTION NO. 2014-95

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, RECITING THE FACTS OF THE GENERAL MUNICIPAL ELECTION AND SPECIAL RECALL ELECTION HELD NOVEMBER 4, 2014, DECLARING THE RESULTS AND SUCH OTHER MATTERS AS PROVIDED BY LAW

WHEREAS, on Tuesday, November 4, 2014, a General Municipal Election was held and conducted for the purpose of electing Council Members in Districts 2, 4, and 5 (Recall Election) and for the purpose of submitting to the voters of said City four (4) ballot measures I, R, S, & T;

WHEREAS, notice of the election was given in time, form and manner as provided by law; voting precincts were properly established; election officers were appointed and in all respects, the election was held and conducted and the votes were cast, received and canvassed and the returns made and declared in time, form and manner as required by the provisions of the Elections Code of the State of California for the holding of elections in general law cities; and

WHEREAS, pursuant to Resolution 2014-49 adopted June 10, 2014, Resolutions 2014-65 and 2014-67 adopted July 8, 2014 and Resolution 2014-35 adopted on May 13, 2014, the Registrar of Voters of the County of Riverside canvassed the returns of the election and has certified the results thereof to this City Council.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. That the whole number of votes cast in the City except vote-by-mail voter ballots was 8,469.

That the whole number of vote-by-mail voter ballots cast in the City was 14,182 making a total of 22,651 votes cast in the City.

SECTION 2.

- a. That the names of persons voted for, and the number of votes given in the City, at the election for Member of the City Council for District 2 are as follows:

<u>Name:</u>	<u>Number of Votes:</u>
Alvin C. Horn	215
Charles Roberts	223

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Resolution No. 2014-95
Date Adopted: December 9, 2014

Glenn Fitzgerald Jacobs	678
Corey Jackson	1,262
Jeffrey Giba	1,269
Debra Craig	548
Marcia Amino	717
Madelene Muntz	268
Luke Fuller	699

The names of persons voted for, and the number of votes given in the City for Member of the City Council for District 4 are as follows:

<u>Name:</u>	<u>Number of Votes:</u>
Wraymond Sawyer	741
Lori Nickel	319
Yxstian Gutierrez	1,274
Weldon L. Boone	163
Gwendolyn Cross	724
Jaime Moreno	268
Robin Wetmore	314
Takiya Moore (write-in candidate)	9

CITY OF MORENO VALLEY DISTRICT 5 TO RECALL VICTORIA BACA

The question to Recall Victoria Baca and the response (yes or no) from the voters is listed below:

Yes	1,834
No	1,159

The persons voted for and the number of votes given in the City for Member of the City Council for District 5 are as follows:

<u>Name:</u>	<u>Number of Votes:</u>
Dolores LaDonna Jempson	1,905
Donovan Saadiq	596

CITY OF MORENO VALLEY MEASURES

The titles of the measures and the number of votes given in the City of Moreno Valley are as follows:

Measure I – Term Limits for Moreno Valley City Council

Yes	16,488
No	4,339

Measure I received a majority of votes required. Measure I passed.

Measure R – Directly Elected Mayor and Reapportionment of Councilmanic Districts

Yes	15,312
No	5,278

Measure R received a majority of votes required. Measure R passed.

Measure S – Mayor – 2 Year Term

Yes	12,758
No	7,668

Measure S received a majority of votes required. Measure S passed.

Measure T – Mayor 4 Year Term

Yes	7,537
No	12,718

Measure T did not receive a majority of votes required. Measure T failed.

SECTION 3. That the number of votes given at each precinct and the number of votes given in the City to each of the persons above named for the respective offices for which the persons were candidates were as listed on the Statement of Vote prepared by the Registrar of Voters and attached hereto as Exhibit A.

SECTION 4. That the City Council does declare and determine that Jeffrey Giba was elected as a Member of the City Council for District 2 for a full term of four years; and that Yxstian Guterrez was elected as a Member of the City Council for District 4 for a full term of four years; and that Dolores LaDonna Jempson was elected as a Member of the City Council for District 5 for a remaining term of two years.

SECTION 5. That the City Clerk shall enter on the records of the City Council of the City a statement of the results of the election showing: (1) the whole number of votes cast in the City; (2) the names of the persons voted for; (3) for what office each person was voted for; (4) the number of votes given at each precinct to each person;

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Resolution No. 2014-95
Date Adopted: December 9, 2014

and (5) total number of votes given to each person.

SECTION 6. That the City Clerk shall immediately make and deliver to each of the persons so elected a Certificate of Election signed by the City Clerk and authenticated; that the City Clerk shall also administer to each person elected the Oath of Office prescribed in the Constitution of the State of California and shall have them subscribe to it and file it in the office of the City Clerk. Each and all of the persons so elected shall then be inducted into the respective office to which they have been elected.

SECTION 7. That the City Clerk shall certify to the passage and adoption on this resolution and enter it into the book of original resolutions.

APPROVED AND ADOPTED this 9th day of December, 2014.

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

Resolution No. 2014-95⁴
Date Adopted: December 9, 2014

RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2014-95 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 9th day of December, 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

Resolution No. 2014-95⁵
Date Adopted: December 9, 2014

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CITY CLERK'S OFFICE

MEMORANDUM

To: Mayor and City Council

From: Jane Halstead, City Clerk, CMC

Date: December 9, 2014

Subject: City Council Regular Meeting Agenda of December 9, 2014, Item 1 -
RESOLUTION NO. 2014-95 CERTIFYING GENERAL MUNICIPAL
ELECTION RESULTS

cc: Agenda packet distribution list

Attached is Exhibit A.



REBECCA SPENCER
Registrar of Voters

2724 Gateway Drive
Riverside, CA 92507-0918
(951) 486-7200 • FAX (951) 486-7272
TTY (951) 697-8966
www.voteinfo.net

REGISTRAR OF VOTERS
COUNTY OF RIVERSIDE

November 21, 2014

Jane Halstead
City of Moreno Valley
P.O. Box 88005
Moreno Valley, CA 92552

Dear Ms. Halstead:

Enclosed is our certificate to the results of the canvass of election returns for your Consolidated General Election held on November 4, 2014.

The Certificate of Election forms were given to you at the seminar in June. An invoice for services rendered will be mailed to you under a separate cover. Please let me know if I can be of any further assistance.

Sincerely,

REBECCA SPENCER

Registrar of Voters

Enclosures



REBECCA SPENCER
Registrar of Voters

2724 Gateway Drive
Riverside, CA 92507-0918
(951) 486-7200 • FAX (951) 486-7272
TTY (951) 697-8966
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**REGISTRAR OF VOTERS
COUNTY OF RIVERSIDE**

**CERTIFICATE OF REGISTRAR OF VOTERS
TO THE RESULTS OF THE CANVASS OF ELECTION RETURNS**

State of California)
) ss.
County of Riverside)

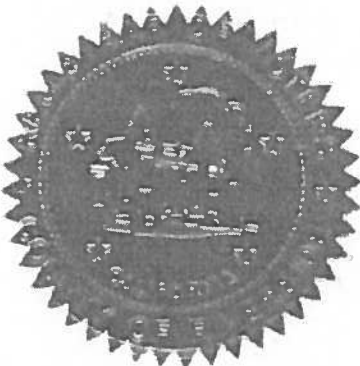
I, **REBECCA SPENCER**, Registrar of Voters of said County, do hereby certify that, in pursuance of the provisions of Sections 15301, 15372, and 15374 of the California Elections Code, and the resolution adopted by the City Council, I did canvass the returns of the votes cast on November 4, 2014, as part of the Consolidated General Election in the

CITY OF MORENO VALLEY

and I further certify that the statement of votes cast, to which this certificate is attached, shows the whole number of votes for each candidate for elective office and for and against each measure at said election, in said City, and in each precinct therein, and that the totals as shown for said election are full, true, and correct.

Dated this 21st day of November 2014.

REBECCA SPENCER
Registrar of Voters



RIVERSIDE COUNTY Statement of Vote
CONSOLIDATED GENERAL ELECTION

100089		NO PARTY PREFERENCE MEMBER, CITY COUNCIL CITY OF MORENO VALLEY DIST 2												
	Registration	Ballots Cast	Turnout (%)	ALVIN C. HORN	CHARLES ROBERTS	GLENN FITZGERALD JACOB	COREY JACKSON	JEFFREY GIBA	DEBRA CRAIG	MARCIA AMINO	MADELENE MUNTZ	LUKE FULLER		
50202 MORENO VALLEY/2	1138	201	17.66	3	8	29	33	47	17	28	3	13		
50202 - Vote by Mail Reporting	1138	242	21.27	14	6	42	58	40	19	20	12	17		
50203 MORENO VALLEY/2	852	126	14.79	1	3	11	29	41	3	13	4	13		
50203 - Vote by Mail Reporting	852	209	24.53	12	8	29	46	47	4	22	9	14		
50204 MORENO VALLEY/2	0	0	0.00	0	0	0	0	0	0	0	0	0		
50204 - Vote by Mail Reporting	0	0	0.00	0	0	0	0	0	0	0	0	0		
50205 MORENO VALLEY/2	1690	284	16.80	8	4	44	61	43	21	36	11	20		
50205 - Vote by Mail Reporting	1690	420	25.00	9	21	48	91	79	36	44	15	37		
50209 MORENO VALLEY/2	1695	257	15.18	9	4	28	51	52	8	39	17	29		
50209 - Vote by Mail Reporting	1695	341	20.12	12	8	38	70	67	20	47	21	35		
50213 MORENO VALLEY/2	1856	290	15.63	3	4	28	71	54	24	34	19	28		
50213 - Vote by Mail Reporting	1856	457	24.62	11	26	49	112	78	28	42	11	59		
50215 MORENO VALLEY/2	1861	276	14.83	5	11	37	41	81	18	40	11	25		
50215 - Vote by Mail Reporting	1861	344	18.48	23	13	28	59	76	35	26	11	33		
50220 MORENO VALLEY/2	1853	195	10.52	6	8	20	31	39	14	21	7	22		
50220 - Vote by Mail Reporting	1853	368	20.83	13	10	24	62	67	33	40	18	47		
50223 MORENO VALLEY/2	2122	236	11.12	7	6	21	38	46	24	28	8	30		
50223 - Vote by Mail Reporting	2122	491	23.14	20	16	39	83	100	60	41	14	77		
50224 MORENO VALLEY/2	1690	180	10.65	6	10	28	43	26	10	16	13	11		
50224 - Vote by Mail Reporting	1690	301	17.81	13	17	30	55	39	27	34	14	30		
50228 MORENO VALLEY/2	1470	244	16.60	5	6	21	38	48	22	38	8	22		
50228 - Vote by Mail Reporting	1470	306	20.82	10	8	20	92	65	47	26	6	38		
50234 MORENO VALLEY/2	2007	302	15.05	4	12	23	54	61	32	24	10	45		
50234 - Vote by Mail Reporting	2007	489	23.37	21	13	41	85	72	46	56	29	54		
Precinct Totals	18224	2591	14.22	57	76	290	488	519	193	317	111	258		
Vote by Mail Reporting Totals	18224	3966	21.78	158	145	388	774	750	355	400	157	441		
Grand Totals	18224	6557	35.98	216	223	678	1262	1269	548	717	268	699		
Riverside County	18224	6557	35.98	216	223	678	1262	1269	548	717	268	699		
41st Congressional District	18224	6557	35.98	216	223	678	1262	1269	548	717	268	699		
31st Senatorial District	18224	6557	35.98	216	223	678	1262	1269	548	717	268	699		
61st Assembly District	18224	6557	35.98	216	223	678	1262	1269	548	717	268	699		
State Bd of Equalization, Dist 4	18224	6557	35.98	216	223	678	1262	1269	548	717	268	699		
8th Supervisorial District	18224	6557	35.98	216	223	678	1262	1269	548	717	268	699		
City of Moreno Valley	18224	6557	35.98	216	223	678	1262	1269	548	717	268	699		

RIVERSIDE COUNTY Statement of Vote
CONSOLIDATED GENERAL ELECTION

100090		NO PARTY PREFERENCE MEMBER, CITY COUNCIL CITY OF MORENO VALLEY DIST 4												
	Registration	Ballots Cast	Turnout (%)	WRAYMOND SAWYERR	LORINICKEL	YXSTIAN GUTIERREZ	WELDON L. BOONE	GWENDOLYN CROSS	JAIME MORENO	ROBIN WETMORE				
50403 MORENO VALLEY/4	1624	192	11.82	25	24	54	9	30	17	10				
50403 - Vote by Mail Reporting	1624	292	17.98	43	41	80	11	58	18	13				
50405 MORENO VALLEY/4	1633	199	12.19	34	11	59	11	30	21	14				
50405 - Vote by Mail Reporting	1633	253	15.49	29	14	101	10	39	22	16				
50408 MORENO VALLEY/4	1924	213	11.07	32	16	63	9	26	26	14				
50408 - Vote by Mail Reporting	1924	368	19.13	44	26	127	18	71	26	32				
50410 MORENO VALLEY/4	1255	158	12.59	24	6	52	14	13	9	18				
50410 - Vote by Mail Reporting	1255	192	15.30	45	16	60	9	40	16	9				
50412 MORENO VALLEY/4	1872	247	13.19	62	19	65	12	42	7	13				
50412 - Vote by Mail Reporting	1872	321	17.15	80	22	69	14	70	12	34				
50414 MORENO VALLEY/4	1466	134	9.20	31	8	52	1	16	7	9				
50414 - Vote by Mail Reporting	1466	234	16.07	48	11	78	4	39	16	18				
50417 MORENO VALLEY/4	1711	189	10.99	48	12	63	6	22	6	18				
50417 - Vote by Mail Reporting	1711	228	13.21	48	19	70	10	41	8	21				
50418 MORENO VALLEY/4	1158	134	11.57	30	2	39	7	21	7	11				
50418 - Vote by Mail Reporting	1158	220	19.00	50	17	59	14	49	7	15				
50419 MORENO VALLEY/4	1370	158	11.53	30	9	43	2	36	7	8				
50419 - Vote by Mail Reporting	1370	189	12.34	20	16	63	0	35	9	14				
50422 MORENO VALLEY/4	1067	71	6.65	3	7	28	2	10	10	5				
50422 - Vote by Mail Reporting	1067	191	17.90	17	21	81	1	36	18	20				
Princl Totals	15070	1694	11.24	319	118	619	72	246	117	121				
Vote by Mail Reporting Totals	15070	2488	16.36	422	203	755	91	478	149	193				
Grand Totals	15070	4180	27.60	741	319	1274	163	724	266	314				
Riverside County	16070	4180	27.60	741	319	1274	163	724	266	314				
41st Congressional District	15070	4180	27.60	741	319	1274	163	724	266	314				
31st Senatorial District	16070	4180	27.60	741	319	1274	163	724	266	314				
61st Assembly District	15070	4180	27.60	741	319	1274	163	724	266	314				
State Bd of Equalization, Dist 4	15070	4180	27.60	741	319	1274	163	724	266	314				
5th Supervisorial District	15070	4180	27.60	741	319	1274	163	724	266	314				
City of Moreno Valley	15070	4180	27.60	741	319	1274	163	724	266	314				

RIVERSIDE COUNTY Statement of Vote
CONSOLIDATED GENERAL ELECTION

140091		NO PARTY PREFERENCE RECALL VICTORIA BACA CITY OF MORENO VALLEY DIST 5											
	Registration	Ballots Cast	Turnout (%)	YES	NO								
50500 MORENO VALLEY/5	16	0	0.00	0	0								
50500 - Vote by Mail Reporting	16	3	18.75										
50502 MORENO VALLEY/5	1681	119	7.08	65	38								
50502 - Vote by Mail Reporting	1681	212	12.61	107	90								
50504 MORENO VALLEY/5	1154	99	8.58	59	30								
50504 - Vote by Mail Reporting	1154	199	17.24	130	59								
50505 MORENO VALLEY/5	2012	196	9.74	124	60								
50505 - Vote by Mail Reporting	2012	439	21.82	277	139								
50507 MORENO VALLEY/5	1146	106	9.25	58	39								
50507 - Vote by Mail Reporting	1146	163	14.22	84	65								
50509 MORENO VALLEY/5	1855	160	8.18	88	54								
50509 - Vote by Mail Reporting	1855	303	16.50	175	109								
50511 MORENO VALLEY/5	1412	135	9.58	78	52								
50511 - Vote by Mail Reporting	1412	254	17.99	145	92								
50512 MORENO VALLEY/5	878	84	9.57	45	31								
50512 - Vote by Mail Reporting	878	105	11.96	49	52								
50516 MORENO VALLEY/5	1284	109	8.49	58	42								
50516 - Vote by Mail Reporting	1284	208	16.04	123	79								
50521 MORENO VALLEY/5	1312	116	8.77	60	48								
50521 - Vote by Mail Reporting	1312	210	16.01	122	76								
Precinct Totals	12850	1123	8.74	621	394								
Vote by Mail Reporting Totals	12850	2094	16.30	1213	765								
Grand Totals	12850	3217	25.04	1834	1159								
Riverside County	12850	3217	25.04	1834	1159								
41st Congressional District	12850	3217	25.04	1834	1159								
31st Senatorial District	12850	3217	25.04	1834	1159								
01st Assembly District	12850	3217	25.04	1834	1159								
State Bd. of Equalization, Dist 4	12850	3217	25.04	1834	1159								
5th Supervisorial District	12850	3217	25.04	1834	1159								
City of Moreno Valley	12850	3217	25.04	1834	1159								

RIVERSIDE COUNTY Statement of Vote
CONSOLIDATED GENERAL ELECTION

100092		NO PARTY PREFERENCE MEMBER, CITY COUNCIL CITY OF MORENO VALLEY DIST 5											
	Registration	Ballots Cast	Turnout (%)	DOLORIS LADONNA JEMPSON	DONOVAN SAADIQ								
50500 MORENO VALLEY/5	16	0	0.00	0	0								
50500 - Vote by Mail Reporting	16	3	18.75										
50502 MORENO VALLEY/5	1681	119	7.08	61	21								
50502 - Vote by Mail Reporting	1681	212	12.61	120	29								
50504 MORENO VALLEY/5	1154	99	8.58	59	20								
50504 - Vote by Mail Reporting	1154	199	17.24	118	45								
50505 MORENO VALLEY/5	2012	196	9.74	134	36								
50505 - Vote by Mail Reporting	2012	439	21.82	298	67								
50507 MORENO VALLEY/5	1146	108	9.25	62	13								
50507 - Vote by Mail Reporting	1146	163	14.22	73	46								
50509 MORENO VALLEY/5	1955	180	8.18	94	32								
50509 - Vote by Mail Reporting	1955	303	15.50	165	69								
50511 MORENO VALLEY/5	1412	135	9.56	85	27								
50511 - Vote by Mail Reporting	1412	254	17.99	161	44								
50512 MORENO VALLEY/5	878	84	9.57	41	18								
50512 - Vote by Mail Reporting	878	105	11.96	58	23								
50518 MORENO VALLEY/5	1284	109	8.49	62	23								
50518 - Vote by Mail Reporting	1284	206	16.04	131	37								
50521 MORENO VALLEY/5	1312	115	8.77	59	19								
50521 - Vote by Mail Reporting	1312	210	16.01	124	36								
Princint Totals	12850	1123	8.74	657	209								
Vote by Mail Reporting Totals	12850	2094	16.30	1248	387								
Grand Totals	12850	3217	25.04	1905	596								
Riverside County	12850	3217	25.04	1905	596								
41st Congressional District	12850	3217	25.04	1905	596								
31st Senatorial District	12850	3217	25.04	1905	596								
81st Assembly District	12850	3217	25.04	1905	596								
State Bd of Equalization, Dist 4	12850	3217	25.04	1905	596								
5th Supervisorial District	12850	3217	25.04	1905	596								
City of Moreno Valley	12850	3217	25.04	1905	596								

***** Insufficient Turnout to Protect Voter Privacy *****

RIVERSIDE COUNTY Statement of Vote
CONSOLIDATED GENERAL ELECTION

140136		NO PARTY PREFERENCE MEASURE 1 - CITY OF MORENO VALLEY													
	Registration	Ballots Cast	Turnout (%)	YES	NO										
50101 MORENO VALLEY/1	255	4	1.57			***** Insufficient Turnout to Protect Voter Privacy *****									
50101 - Vote by Mail Reporting	255	71	27.84	49	14										
50103 MORENO VALLEY/1	2187	207	9.47	147	43										
50103 - Vote by Mail Reporting	2187	387	17.70	307	53										
50108 MORENO VALLEY/1	1968	130	6.61	95	25										
50108 - Vote by Mail Reporting	1968	280	13.21	189	52										
50110 MORENO VALLEY/1	1884	198	10.51	139	41										
50110 - Vote by Mail Reporting	1884	320	16.98	253	55										
50111 MORENO VALLEY/1	1431	97	6.78	67	17										
50111 - Vote by Mail Reporting	1431	189	13.21	136	39										
50115 MORENO VALLEY/1	1832	131	7.15	95	25										
50115 - Vote by Mail Reporting	1832	288	15.61	232	44										
50117 MORENO VALLEY/1	954	70	7.28	44	17										
50117 - Vote by Mail Reporting	954	136	14.42	107	26										
50119 MORENO VALLEY/1	1705	150	8.38	108	37										
50119 - Vote by Mail Reporting	1705	290	15.25	196	52										
50120 MORENO VALLEY/1	1699	116	6.83	81	21										
50120 - Vote by Mail Reporting	1699	233	15.48	192	60										
50202 MORENO VALLEY/2	1138	201	17.68	123	62										
50202 - Vote by Mail Reporting	1138	242	21.27	184	38										
50203 MORENO VALLEY/2	852	126	14.78	91	26										
50203 - Vote by Mail Reporting	852	209	24.53	155	34										
50204 MORENO VALLEY/2	0	0	0.00	0	0										
50204 - Vote by Mail Reporting	0	0	0.00	0	0										
50205 MORENO VALLEY/2	1680	284	16.90	204	58										
50205 - Vote by Mail Reporting	1680	420	25.00	308	77										
50208 MORENO VALLEY/2	1685	257	15.16	184	50										
50209 - Vote by Mail Reporting	1685	341	20.12	248	67										
50213 MORENO VALLEY/2	1856	290	15.63	201	68										
50213 - Vote by Mail Reporting	1856	457	24.62	332	104										
50215 MORENO VALLEY/2	1881	276	14.83	195	59										
50215 - Vote by Mail Reporting	1881	344	18.48	251	60										
50220 MORENO VALLEY/2	1853	185	10.52	148	27										
50220 - Vote by Mail Reporting	1853	386	20.83	294	71										
50223 MORENO VALLEY/2	2122	236	11.12	163	55										
50223 - Vote by Mail Reporting	2122	491	23.14	371	90										
50224 MORENO VALLEY/2	1690	180	10.65	126	37										
50224 - Vote by Mail Reporting	1690	301	17.81	216	54										
50228 MORENO VALLEY/2	1470	244	16.60	175	52										
50228 - Vote by Mail Reporting	1470	306	20.82	226	62										
50234 MORENO VALLEY/2	2007	302	15.05	197	73										
50234 - Vote by Mail Reporting	2007	469	23.37	338	98										
50302 MORENO VALLEY/3	1487	285	18.08	196	63										
50302 - Vote by Mail Reporting	1487	392	20.72	245	120										
50304 MORENO VALLEY/3	1568	245	15.63	165	65										
50304 - Vote by Mail Reporting	1568	385	24.55	292	72										
50311 MORENO VALLEY/3	2052	200	9.75	153	32										
50311 - Vote by Mail Reporting	2052	344	16.76	264	54										
50316 MORENO VALLEY/3	1973	199	10.09	147	33										
50316 - Vote by Mail Reporting	1973	301	15.26	233	43										
50320 MORENO VALLEY/3	1539	149	9.68	108	32										
50320 - Vote by Mail Reporting	1539	417	27.10	308	73										
50321 MORENO VALLEY/3	2092	266	12.72	190	57										
50321 - Vote by Mail Reporting	2092	487	23.28	350	109										
50322 MORENO VALLEY/3	0	0	0.00	0	0										
50322 - Vote by Mail Reporting	0	0	0.00	0	0										
50323 MORENO VALLEY/3	0	0	0.00	0	0										
50323 - Vote by Mail Reporting	0	0	0.00	0	0										
50325 MORENO VALLEY/3	1982	171	8.63	131	28										
50325 - Vote by Mail Reporting	1982	320	16.15	217	72										
50327 MORENO VALLEY/3	1090	118	10.83	82	15										

RIVERSIDE COUNTY Statement of Vote
CONSOLIDATED GENERAL ELECTION

140136	NO PARTY PREFERENCE MEASURE 1 - CITY OF MORENO VALLEY													
	Registration	Ballots Cast	Turnout (%)		YES	NO								
60327 - Vote by Mail Reporting	1090	253	23.21		184	50								
60329 MORENO VALLEY/3	1984	210	10.58		142	45								
60329 - Vote by Mail Reporting	1984	306	15.42		246	42								
60331 MORENO VALLEY/3	1395	125	8.96		86	24								
60331 - Vote by Mail Reporting	1395	276	19.78		189	65								
60403 MORENO VALLEY/4	1624	192	11.82		132	37								
60403 - Vote by Mail Reporting	1624	292	17.98		219	49								
60406 MORENO VALLEY/4	1633	199	12.19		132	44								
60406 - Vote by Mail Reporting	1633	253	15.49		180	47								
60408 MORENO VALLEY/4	1924	213	11.07		143	46								
60408 - Vote by Mail Reporting	1924	388	19.13		285	57								
60410 MORENO VALLEY/4	1255	158	12.59		109	29								
60410 - Vote by Mail Reporting	1255	192	15.30		147	33								
60412 MORENO VALLEY/4	1872	247	13.19		160	49								
60412 - Vote by Mail Reporting	1872	321	17.15		253	57								
60414 MORENO VALLEY/4	1456	134	9.20		91	20								
60414 - Vote by Mail Reporting	1456	234	16.07		176	38								
60417 MORENO VALLEY/4	1711	188	10.99		131	29								
60417 - Vote by Mail Reporting	1711	226	13.21		174	32								
60418 MORENO VALLEY/4	1158	134	11.57		100	16								
60418 - Vote by Mail Reporting	1158	220	19.00		175	29								
60419 MORENO VALLEY/4	1370	158	11.53		111	24								
60419 - Vote by Mail Reporting	1370	169	12.34		133	29								
60422 MORENO VALLEY/4	1087	71	6.65		51	12								
60422 - Vote by Mail Reporting	1087	191	17.60		135	36								
60500 MORENO VALLEY/5	18	0	0.00		0	0								
60500 - Vote by Mail Reporting	16	3	18.75											
60502 MORENO VALLEY/5	1681	119	7.08		72	29								
60502 - Vote by Mail Reporting	1681	212	12.61		160	32								
60504 MORENO VALLEY/5	1154	99	8.68		84	11								
60504 - Vote by Mail Reporting	1154	199	17.24		153	37								
60505 MORENO VALLEY/5	2012	190	9.74		144	37								
60505 - Vote by Mail Reporting	2012	439	21.82		307	95								
60507 MORENO VALLEY/5	1146	108	9.26		87	24								
60507 - Vote by Mail Reporting	1146	183	14.22		121	27								
60509 MORENO VALLEY/5	1955	160	8.18		128	21								
60509 - Vote by Mail Reporting	1955	303	15.50		228	50								
60511 MORENO VALLEY/5	1412	135	9.56		91	37								
60511 - Vote by Mail Reporting	1412	254	17.99		187	42								
60512 MORENO VALLEY/5	878	84	9.57		60	16								
60512 - Vote by Mail Reporting	878	105	11.96		83	15								
60516 MORENO VALLEY/5	1284	109	8.49		76	27								
60516 - Vote by Mail Reporting	1284	206	16.04		150	38								
60521 MORENO VALLEY/5	1312	116	8.77		85	21								
60521 - Vote by Mail Reporting	1312	210	16.01		163	28								
Precinct Totals	77211	8498	10.87		5951	1717								
Vote by Mail Reporting Totals	77211	14182	18.37		10537	2822								
Grand Totals	77211	22851	29.34		16488	4339								
Riverside County	77211	22851	29.34		16488	4339								
41st Congressional District	77211	22651	29.34		16488	4339								
31st Senatorial District	77211	22651	29.34		16488	4339								
61st Assembly District	77211	22651	29.34		16488	4339								
State Bd. of Equalization, Dist 4	77211	22651	29.34		16488	4339								
9th Supervisorial District	77211	22651	29.34		16488	4339								
City of Moreno Valley	77211	22651	29.34		16488	4339								

***** Insufficient Turnout to Protect Voter Privacy *****

RIVERSIDE COUNTY Statement of Vote
CONSOLIDATED GENERAL ELECTION

140143		CITY OF MORENO VALLEY											
	Registration	Ballots Cast	Turnout (%)	MEASURE R - CITY OF MORENO VALLEY		MEASURE S - CITY OF MORENO VALLEY		MEASURE T - CITY OF MORENO VALLEY					
				YES	NO	YES	NO	YES	NO				
50101 MORENO VALLEY/1	255	4	1.57							***** Insufficient Turnout to Protect Voter Privacy *****			
50101 - Vote by Mail Reporting	255	71	27.84	45	17	34	28	26	33				
50103 MORENO VALLEY/1	2187	207	9.47	137	49	109	72	89	111				
50103 - Vote by Mail Reporting	2187	387	17.70	279	80	228	118	124	232				
50108 MORENO VALLEY/1	1908	130	6.61	90	27	87	33	35	84				
50108 - Vote by Mail Reporting	1908	260	13.21	187	54	151	85	91	143				
50110 MORENO VALLEY/1	1804	189	10.51	126	56	116	62	60	117				
50110 - Vote by Mail Reporting	1884	320	15.99	232	74	171	128	118	183				
50111 MORENO VALLEY/1	1431	97	6.78	60	23	43	39	37	46				
50111 - Vote by Mail Reporting	1431	189	13.21	135	39	125	49	45	129				
50115 MORENO VALLEY/1	1832	131	7.15	85	32	81	38	41	74				
50115 - Vote by Mail Reporting	1832	286	15.61	218	58	187	97	110	152				
50117 MORENO VALLEY/1	964	70	7.28	39	22	42	19	19	42				
50117 - Vote by Mail Reporting	964	139	14.42	109	22	77	54	54	78				
50119 MORENO VALLEY/1	1705	180	9.38	106	37	85	57	86	78				
50119 - Vote by Mail Reporting	1705	280	15.25	182	60	157	81	84	156				
50120 MORENO VALLEY/1	1699	116	6.83	76	25	70	31	34	64				
50120 - Vote by Mail Reporting	1699	263	15.48	195	53	158	89	97	153				
50202 MORENO VALLEY/2	1138	201	17.68	117	84	87	93	78	103				
50202 - Vote by Mail Reporting	1138	242	21.27	166	53	144	78	83	139				
50203 MORENO VALLEY/2	852	128	14.79	92	23	87	48	43	68				
50203 - Vote by Mail Reporting	852	209	24.53	134	51	104	78	73	111				
50204 MORENO VALLEY/2	0	0	0.00	0	0	0	0	0	0				
50204 - Vote by Mail Reporting	0	0	0.00	0	0	0	0	0	0				
50205 MORENO VALLEY/2	1880	284	16.90	180	78	148	108	111	139				
50205 - Vote by Mail Reporting	1880	420	25.00	278	104	213	161	152	218				
50209 MORENO VALLEY/2	1695	257	15.16	170	62	165	70	89	165				
50209 - Vote by Mail Reporting	1695	341	20.12	204	106	189	100	100	209				
50213 MORENO VALLEY/2	1856	290	15.63	181	87	150	114	107	154				
50213 - Vote by Mail Reporting	1856	457	24.62	282	135	246	174	144	280				
50215 MORENO VALLEY/2	1881	276	14.83	173	73	146	100	92	152				
50215 - Vote by Mail Reporting	1881	344	18.48	256	84	207	112	112	210				
50220 MORENO VALLEY/2	1853	185	10.52	136	40	98	75	70	99				
50220 - Vote by Mail Reporting	1853	368	20.83	271	87	215	144	136	217				
50223 MORENO VALLEY/2	2122	238	11.12	150	65	131	83	79	130				
50223 - Vote by Mail Reporting	2122	491	23.14	351	101	282	181	158	282				
50224 MORENO VALLEY/2	1690	180	10.65	117	45	98	69	70	92				
50224 - Vote by Mail Reporting	1690	301	17.81	191	80	189	103	91	176				
50228 MORENO VALLEY/2	1470	244	16.60	153	71	134	82	83	141				
50228 - Vote by Mail Reporting	1470	308	20.82	212	71	179	101	107	168				
50234 MORENO VALLEY/2	2007	302	15.05	184	87	153	115	118	150				
50234 - Vote by Mail Reporting	2007	466	23.37	303	127	254	158	147	272				
50302 MORENO VALLEY/3	1467	255	18.08	152	97	166	79	88	176				
50302 - Vote by Mail Reporting	1467	382	26.72	218	146	215	139	90	254				
50304 MORENO VALLEY/3	1568	245	15.63	154	78	157	72	82	161				
50304 - Vote by Mail Reporting	1568	385	24.55	254	111	243	118	108	231				
50311 MORENO VALLEY/3	2052	200	9.75	141	42	115	87	74	107				
50311 - Vote by Mail Reporting	2052	344	16.76	246	86	201	110	103	204				
50318 MORENO VALLEY/3	1973	199	10.09	144	37	117	68	70	109				
50318 - Vote by Mail Reporting	1973	301	15.28	209	80	170	102	111	157				
50320 MORENO VALLEY/3	1539	149	9.68	97	38	78	58	48	81				
50320 - Vote by Mail Reporting	1539	417	27.10	256	117	229	141	127	238				
50321 MORENO VALLEY/3	2092	286	12.72	188	70	146	96	81	156				
50321 - Vote by Mail Reporting	2092	487	23.28	318	140	270	180	152	287				
50322 MORENO VALLEY/3	0	0	0.00	0	0	0	0	0	0				
50322 - Vote by Mail Reporting	0	0	0.00	0	0	0	0	0	0				
50323 MORENO VALLEY/3	0	0	0.00	0	0	0	0	0	0				
50323 - Vote by Mail Reporting	0	0	0.00	0	0	0	0	0	0				
50325 MORENO VALLEY/3	1982	171	8.63	127	31	90	67	84	92				
50325 - Vote by Mail Reporting	1982	320	16.15	224	81	177	110	112	169				
50327 MORENO VALLEY/3	1090	118	10.83	84	22	80	47	48	58				

RIVERSIDE COUNTY Statement of Vote
CONSOLIDATED GENERAL ELECTION

140143	CITY OF MORENO VALLEY											
	Registration	Ballots Cast	Turnout (%)	MEASURE 6 - CITY OF MORENO VALLEY		MEASURE 7 - CITY OF MORENO VALLEY		MEASURE 8 - CITY OF MORENO VALLEY		MEASURE 9 - CITY OF MORENO VALLEY		
				YES	NO	YES	NO	YES	NO	YES	NO	
50327 - Vote by Mail Reporting	1090	253	23.21	153	81	128	98	94	138			
50328 MORENO VALLEY/3	1984	210	10.58	126	50	118	67	58	121			
50328 - Vote by Mail Reporting	1984	306	15.42	226	60	174	102	103	175			
50331 MORENO VALLEY/3	1355	125	8.96	77	33	70	38	34	75			
50331 - Vote by Mail Reporting	1355	276	18.78	193	52	138	101	97	143			
50403 MORENO VALLEY/4	1624	192	11.82	121	48	107	55	58	111			
50403 - Vote by Mail Reporting	1624	292	17.98	106	68	171	92	88	182			
50405 MORENO VALLEY/4	1633	199	12.19	127	48	110	66	71	104			
50405 - Vote by Mail Reporting	1633	253	15.49	203	33	129	103	110	122			
50408 MORENO VALLEY/4	1924	213	11.07	138	50	118	70	74	113			
50408 - Vote by Mail Reporting	1924	368	18.13	260	79	211	124	133	181			
50410 MORENO VALLEY/4	1266	188	12.59	107	30	104	36	35	101			
50410 - Vote by Mail Reporting	1266	192	15.30	142	36	112	64	59	115			
50412 MORENO VALLEY/4	1872	247	13.19	181	45	135	72	90	114			
50412 - Vote by Mail Reporting	1872	321	17.18	230	58	161	123	121	166			
50414 MORENO VALLEY/4	1456	134	9.20	75	38	63	45	44	65			
50414 - Vote by Mail Reporting	1456	234	16.07	178	31	147	68	83	133			
50417 MORENO VALLEY/4	1711	188	10.99	132	28	98	59	81	97			
50417 - Vote by Mail Reporting	1711	226	13.21	188	41	131	70	76	127			
50418 MORENO VALLEY/4	1168	134	11.57	92	21	73	39	43	67			
50418 - Vote by Mail Reporting	1168	220	19.00	164	39	130	72	85	110			
50419 MORENO VALLEY/4	1370	158	11.53	97	38	82	53	54	78			
50419 - Vote by Mail Reporting	1370	169	12.34	125	35	101	58	57	102			
50422 MORENO VALLEY/4	1067	71	6.65	46	15	49	15	18	44			
50422 - Vote by Mail Reporting	1067	191	17.90	145	27	103	64	71	96			
50500 MORENO VALLEY/5	16	0	0.00	0	0	0	0	0	0			
50500 - Vote by Mail Reporting	16	3	18.75									
50502 MORENO VALLEY/5	1881	119	7.08	88	33	68	37	31	88			
50502 - Vote by Mail Reporting	1881	212	12.61	153	38	111	79	79	111			
50504 MORENO VALLEY/5	1154	98	8.58	78	14	53	37	39	46			
50504 - Vote by Mail Reporting	1154	199	17.24	182	38	127	58	61	128			
50505 MORENO VALLEY/5	2012	196	9.74	130	47	120	66	70	114			
50505 - Vote by Mail Reporting	2012	439	21.82	285	109	260	142	134	261			
50507 MORENO VALLEY/5	1146	106	9.25	67	21	52	38	35	52			
50507 - Vote by Mail Reporting	1146	163	14.22	121	28	80	67	74	92			
50508 MORENO VALLEY/5	1956	160	8.18	118	29	106	40	43	77			
50508 - Vote by Mail Reporting	1956	303	15.50	228	53	175	103	112	157			
50511 MORENO VALLEY/5	1412	135	9.56	89	36	78	50	46	81			
50511 - Vote by Mail Reporting	1412	254	17.99	187	63	162	73	77	156			
50512 MORENO VALLEY/5	878	84	9.57	55	20	52	22	23	45			
50512 - Vote by Mail Reporting	878	105	11.96	81	16	47	48	61	42			
50516 MORENO VALLEY/5	1284	109	8.49	58	31	62	35	43	52			
50516 - Vote by Mail Reporting	1284	206	16.04	148	40	119	63	71	113			
50521 MORENO VALLEY/5	1312	115	8.77	77	20	76	25	24	76			
50521 - Vote by Mail Reporting	1312	210	16.01	138	51	125	57	55	120			
Practinct Totals	77211	8469	10.97	5491	2071	4731	2824	2787	4672			
Vote by Mail Reporting Totals	77211	14182	18.37	9821	3207	8027	4844	4750	8045			
Grand Totals	77211	22651	29.34	15312	5278	12758	7668	7537	12718			
Riverside County	77211	22651	29.34	15312	5278	12758	7668	7537	12718			
41st Congressional District	77211	22651	29.34	15312	5278	12758	7668	7537	12718			
31st Senatorial District	77211	22651	29.34	15312	5278	12758	7668	7537	12718			
61st Assembly District	77211	22651	29.34	15312	5278	12758	7668	7537	12718			
State Bd. of Equalization, Dist 4	77211	22651	29.34	15312	5278	12758	7668	7537	12718			
5th Supervisorial District	77211	22651	29.34	15312	5278	12758	7668	7537	12718			
City of Moreno Valley	77211	22651	29.34	15312	5278	12758	7668	7537	12718			

REBECCA SPENCER
Registrar of Voters



2724 Gateway Drive
Riverside, CA 92507-0918
(951) 486-7200 • FAX (951) 486-7272
TTY (951) 697-8966
www.voteinfo.net

**REGISTRAR OF VOTERS
COUNTY OF RIVERSIDE**

Updated: November 21, 2014

**CONSOLIDATED GENERAL ELECTION
NOVEMBER 4, 2014
FINAL OFFICIAL TALLY OF QUALIFIED WRITE-IN CANDIDATES**

CITY OF MENIFEE, MAYOR	
Darci Castillejos.....	229
CITY OF MORENO VALLEY, CITY COUNCIL, DISTRICT 4	
Takiya Moore.....	9
CITY OF MURRIETA, CITY COUNCIL	
Francisco J. Urbina.....	5



APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>R</i>
CITY MANAGER	<i>D</i>

Report to City Council

TO: Mayor and City Council

FROM: Jane Halstead, City Clerk, CMC

AGENDA DATE: December 9, 2014

TITLE: CITY COUNCIL REORGANIZATION – SELECTION OF MAYOR AND MAYOR PRO TEM

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Conduct the reorganization of the City Council by selecting two Council Members to serve one-year terms respectively as Mayor and Mayor Pro Tem.

SUMMARY

The City Council's Rules of Procedure provide that the City Council meet annually at its first regular meeting in December of each year to choose one of its number as Mayor and another of its number as Mayor Pro Tem. Said Rules of Procedure also provide that the new Mayor and Mayor Pro Tem shall be installed and sworn in during a special ceremonial meeting on the first Tuesday of January (January 6, 2015) and shall assume their offices at the regular City Council meeting on the second Tuesday of January (January 13, 2015).

DISCUSSION

Section 4.2.3 of the Rules of Procedure provides that nominations for the office of Mayor and Mayor Pro Tem may be made by any member of the City Council and need not be seconded in order to be effective. Each selection shall be by three or more affirmative votes. In the event that no person receives three or more votes in the selection process for one or both offices, the selection process shall be repeated immediately; provided, however, that the two persons receiving the highest number of votes in the preceding selection process shall be the only nominees for the office to be filled. If, upon, repeating the selection process for Mayor or Mayor Pro Tem, no person has yet received three affirmative votes for such office, the City Council may either

repeat the selection process until the officer has been duly selected or may continue the selection to the next regular meeting of the City Council.

Voting in the selection of Mayor and Mayor Pro Tem shall be by written ballot unless the City Council, by three or more affirmative votes, determines to conduct the selection process by voice vote. If conducted by written ballot, the vote of each Council Member shall remain undisclosed until all votes have been cast and have been lodged with the City Clerk. The City Clerk shall then read aloud into the minutes of the City Council the identity of the voting Council Member and the name of the person for whom such person is voting. The written ballots shall be public documents and shall be retained in the records of the City Council. The Standard Code of Parliamentary Procedure shall apply to resolve any question of procedure arising during the selection process, which is not governed by Section 4.2 of the City Council Rules of Procedure.

The new Mayor and Mayor Pro Tem, shall serve until the next meeting scheduled for selection of Mayor and Mayor Pro Tem in December 2015.

ALTERNATIVES

1. Conduct the reorganization of the City Council by selecting a new Mayor and Mayor Pro Tem.
2. Continue the selection to the next regular meeting of the City Council if upon repeating the selection process, no person receives three affirmative votes for either Mayor or Mayor Pro Tem.

FISCAL IMPACT

There is no fiscal impact associated with the recommended action.

STAFF RECOMMENDATION

Staff recommends that the City Council conduct the reorganization of the City Council by selecting two Council Members to serve one-year terms respectively as Mayor and Mayor Pro Tem.

NOTIFICATION

Publication of the Agenda

ATTACHMENTS

None

Prepared By:
Jane Halstead
City Clerk

Department Head Approval:
Jane Halstead
City Clerk

MINUTES
SPECIAL MEETING (CITY COUNCIL REGULAR MEETING) OF THE CITY OF
MORENO VALLEY
November 18, 2014

CALL TO ORDER

SPECIAL PRESENTATIONS

- 1 Proclamations Recognizing Moreno Valley Morning Rotary Club and Moreno Valley Noon Rotary Club's Polio Eradication Efforts

**MINUTES
SPECIAL MEETING OF THE CITY COUNCIL OF THE CITY OF MORENO
VALLEY**

**SPECIAL MEETING – 6:00 PM
November 18, 2014**

CALL TO ORDER

The Joint Meeting of the City Council of the City of Moreno Valley, Moreno Valley Community Services District, City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley, Moreno Valley Housing Authority and the Board of Library Trustees was called to order at 6:00 p.m. by Mayor Jesse L. Molina in the Council Chamber located at 14177 Frederick Street

Mayor Jesse L. Molina announced that the City Council receives a separate stipend for CSD meetings.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Victoria Baca.

INVOCATION

Saranasiriw Wathogala and Dhamapala Napalie - Moreno Valley Buddhist Temple

ROLL CALL

Council:

Jesse L. Molina
Victoria Baca
Richard A. Stewart
George Price

Mayor
Mayor Pro Tem
Council Member
Council Member

Staff:

Jane Halstead
Suzanne Bryant
Michelle Dawson
Joel Ontiveros
Abdul Ahmad
Ahmad Ansari
Tom DeSantis
John Terell
Kathy Gross

City Clerk
City Attorney
City Manager
Police Chief
Fire Chief
Public Works Director
Assistant City Manager
Community and Economic Development Director
Executive Assistant

MINUTES
November 18, 2014

INTRODUCTIONS

PUBLIC COMMENTS ON ANY SUBJECT NOT ON THE AGENDA UNDER THE JURISDICTION OF THE CITY COUNCIL

Mayor Jesse L. Molina announced that Items A.13 and B.3 are removed from the agenda.

Glenn Jacobs

1. Candidacy experience

Emil Dragovich Jr.

1. Next door neighbor program, Nextdoor.com

Tom Jerele, Sr.

1. Mayoral Elections
2. Thank you to Mr. Jacobs; enjoyed his comments
3. Thank you to Mark Sambito regarding city contracts
4. Community Concert

Michael McCoy

1. Maps in staff reports; items A.4 and A.9 mentioned

Tom Hines

1. Moreno Valley Business Journal research on the number of members in our Chamber of Commerce.

Christopher Baca

1. Recalls continuing?
2. Commented that Ms. Robinson has campaign with Secretary of State regarding Iddo Benzeevi and voter fraud.

Donovan Saadiq

1. Thank you and Congratulations to Ms. Jempson
2. Congratulations to Mr. Stewart on 24 years of service

MINUTES
November 18, 2014

3. Wished Ms. Baca well

Louise Palomarez

1. Speaker comments
2. Thank you to Ms. Baca for working with water issues; Aldi Foods, Deckers, Amazon and Proctor and Gamble
3. Jobs and revenue for City is needed

Deanna Reeder

1. Congratulations to Ms. Jempson and Mr. Gutierrez; encouraged the people to keep in contact with their representatives.
2. Measure R and comments on District 5 becoming the Mayor

JOINT CONSENT CALENDARS (SECTIONS A-D)

Mayor Pro Tem Baca announced that Government Code section 36503.5 prohibits her from expending or participating in any action that would commit to expend City funds; therefore, she will be abstaining from items A.7, A.9, A.10 and A.12.

Mayor Jesse L. Molina opened the agenda items for the Consent Calendars for public comments, which were received from Tom Breitkreuz (A.4, Supports) and Roy Bleckert (A.8, A.9)

A. CONSENT CALENDAR-CITY COUNCIL

- A.1 ORDINANCES - READING BY TITLE ONLY
Recommendation: Waive reading of all Ordinances.
- A.2 MINUTES - REGULAR MEETING OF OCTOBER 28, 2014 (Report of: City Clerk's Department)
Recommendation:
Approve as submitted
- A.3 CITY COUNCIL REPORTS ON REIMBURSABLE ACTIVITIES (Report of: City Clerk's Department)
Recommendations
Receive and file the Reports on Reimbursable Activities for the period of October 22 – November 11, 2014.

MINUTES
November 18, 2014

- A.4 PA13-0054 (PM 36625) – APPROVE PARCEL MAP AND ACCEPT THE AGREEMENT AND SECURITY FOR PUBLIC IMPROVEMENTS. DEVELOPER – PSIP INTEGRA MORENO VALLEY LLC, NEWPORT BEACH, CA, 92660
(Report of: Public Works Department)

Recommendations

1. Approve Parcel Map 36625 for PA13-0054, authorize the City Clerk to sign the map and transmit map to the County Recorder's Office for recordation.
2. Accept the Agreement and Security for Public Improvements for PSIP Integra Moreno Valley LLC.
3. Authorize the Mayor to execute the Agreement.
4. Direct the City Clerk to forward the signed Agreement to the County Recorder's Office for recordation.
5. Authorize the City Engineer to execute any future time extension amendments to the agreement, subject to City Attorney approval, if the required public improvements are not completed within said timeframe.

- A.5 ADOPT RESOLUTION NO. 2014-89 AUTHORIZING THE CITY ENGINEER TO REQUEST COOPERATIVE WORK AGREEMENT FUNDING EXTENSIONS AND RATIFY AN EXTENSION REQUEST FOR THE SR-60/NASON INTERCHANGE PROJECT(PROJECT NO. 801 0012 70 77)
(Report of: Public Works Department)

Recommendation:

Adopt Resolution No. 2014-89. A Resolution of the City Council of the City of Moreno Valley, California, Authorizing the City Engineer to Request Cooperative Work Agreement Funding Extensions and Ratification of a Request for the SR/60-Nason Interchange Project.

- A.6 MARCH JOINT POWERS AUTHORITY AGREEMENT AMENDMENT #13
(Report of: Community & Economic Development Department)

Recommendation:

Approve the March Joint Powers Authority Agreement Amendment #13.

- A.7 AUTHORIZE THE AWARD OF THE CONSTRUCTION CONTRACT TO GRIFFITH COMPANY FOR CACTUS AVENUE EASTBOUND THIRD

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LANE WIDENING IMPROVEMENT FROM VETERANS WAY TO
HEACOCK STREET, STAGE II
PROJECT NO. 801 0031 70 77
(Report of: Public Works Department)

Recommendations

1. Award the construction contract to Griffith Company, 12200 Bloomfield Avenue, Santa Fe Springs, CA 90670, the lowest responsible bidder, for the Cactus Avenue Eastbound Third Lane Widening Improvement from Veterans Way to Heacock Street, Stage II project; Waive minor, non-material bid irregularities within the lowest responsible bidder's bid proposal.
2. Authorize the City Manager to execute a contract with Griffith Company.
3. Authorize the issuance of a Purchase Order to Griffith Company, for the amount of \$2,161,679.35 (\$2,058,742.24 bid amount plus 5% contingency) when the contract has been signed by all parties.
4. Authorize the Public Works Director/City Engineer to execute any subsequent related minor change orders to the contract with Griffith Company up to, but not exceeding, the 5% contingency amount of \$102,937.11, subject to the approval of the City Attorney.
5. Authorize the re-appropriation of \$12,100.00 from Warner Ranch AD 96-1 Fund 3451 for Cactus Avenue Eastbound Third Lane Widening Improvement from Veterans Way To Heacock Street Stage II project (GL: 3002-70-77-80001, Project No. 801 0031 70 77).
6. Authorize the re-appropriation of \$1,574.00 from Warner Ranch AD 96-1 Fund 3451 for administrative costs to close out the District (GL: 2006-30-79-25701-585020).
7. Authorize the appropriation of revenue and expense budgets in the amount of \$54,878 in the Public Works General Capital Project Fund (3002) per the reimbursement agreement with the Eastern Municipal Water District (EMWD).

A.8 APPROVE RESOLUTION NO. 2014-90 ADOPTING AN ENERGY RISK
MANAGEMENT POLICY FOR MORENO VALLEY UTILITY
(Report of: Public Works Department)

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Recommendation:

Approve Resolution No. 2014-90. A Resolution of the City Council of the City of Moreno Valley, California, Adopting an Energy Risk Management Policy for Moreno Valley Utility.

- A.9 ADOPT RESOLUTION NO. 2014-91, APPROVING AND AUTHORIZING THE EXECUTION OF AN INTERNAL FUND LOAN AGREEMENT TO FINANCE THE PURCHASE OF PROPERTY FOR A 115 KV SUBSTATION AND ADOPT RESOLUTION NO. 2014-92, DECLARING AN OFFICIAL INTENT TO ISSUE BONDS THROUGH THE MORENO VALLEY PUBLIC FINANCING AUTHORITY AND TO REIMBURSE CERTAIN EXPENDITURES FROM THE PROCEEDS OF THE INDEBTEDNESS
(Report of: Public Works Department)

Recommendations

1. Adopt Resolution No. 2014–91. A Resolution of the City Council of the City of Moreno Valley, California, Approving and Authorizing the Execution of an Internal Fund Loan Agreement to Finance the Purchase of Property for a 115 kV Substation.
 2. Adopt Resolution No. 2014–92. A Resolution of the City Council of the City of Moreno Valley, California, Declaring an Official Intent to Issue Bonds Through the Moreno Valley Public Financing Authority and to Reimburse Certain Expenditures from the Proceeds of the Indebtedness.
- A.10 AUTHORIZATION TO AWARD AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES TO CHARLES ABBOTT ASSOCIATES, INC. FOR NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) PERMIT SERVICES
(Report of: Public Works Department)

Recommendations

1. Approve the Agreement for Professional Consultant Services with Charles Abbott Associates, Inc., 27401 Los Altos, Suite 220, Mission Viejo, CA 92691, to provide National Pollutant Discharge Elimination System (NPDES) inspection and NPDES administrative services to the Storm Water Management Program.
2. Authorize the City Manager to execute the Agreement for Professional Consultant Services with Charles Abbott Associates, Inc., subject to the approval of the City Attorney.
3. Authorize the issuance of a Purchase Order with Charles Abbott Associates, Inc., in the amount of \$73,485.03 as follows:

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\$53,956.73 for Fund 2008-70-29-20451 and \$19,528.30 for Fund 2008-70-29-20450, and authorize the Chief Financial Officer to approve subsequent purchase orders, including any exceeding \$100,000 in total, to Charles Abbott Associates, Inc., in accordance with the approved terms of the Agreement.

4. Authorize the City Manager to execute subsequent Extensions or Amendments to the Agreement, including the authority to authorize associated purchase orders (P.O.s) in accordance with the terms of the Agreement, subject to the approval of the City Attorney.

- A.11 APPROVE RESOLUTION 2014-93 IN SUPPORT OF MARCH AIR RESERVE BASE AND THE NAVAL SURFACE WARFARE CENTER CORONA
(Report of: City Manager Department)

Recommendation:

Adopt Resolution 2014-93. A Resolution of the City Council of the City of Moreno Valley, California, in Support of March Air Reserve Base and the Naval Surface Warfare Center, Corona Division.

- A.12 AMENDMENT TO ACCELA CONTRACT FOR AGENDA MANAGEMENT AND VIDEO WEBSTREAMING
(Report of: City Clerk Department)

Recommendations

1. Authorize the City Manager to execute a Contract Amendment with Accela, 2633 Camino Ramon, Suite 500, San Ramon, CA 94583, in the amount of \$185,150.00 (three year contract at \$55,050 per year plus \$20,000 (12%) contingency).
2. Authorize the Chief Financial Officer to issue a purchase order upon execution of the amendment to the above-referenced contractor not to exceed the amount of \$185,150.00.
3. Approve the Fiscal Year 2014/2015 budget appropriation as set forth within the Fiscal Section of this report.

- A.13 APPROVE THE FIRST REVISION TO GENERAL MANAGEMENT POLICY #2.44 TO INCLUDE A SECOND OPTION FOR OFFICIAL CITY GROUPS DESIGNATION, DESIGNATE THE MORENO VALLEY CULTURAL ARTS FOUNDATION AS AN OFFICIAL CITY GROUP, AND APPROPRIATE SPONSORSHIP FUNDING
(Report of: Parks & Community Services Department)

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Recommendations

1. Approve the first revision to General Management Policy #2.44, Assistance to Cultural and Performing Groups Designated “Official City Groups,” to allow a second option for “Official City Groups” designation.
2. Designate the Moreno Valley Cultural Arts Foundation as an Official City Group under the second option for the Vanguard Art Gallery/Museum.
3. Approve a Fiscal Year 2014/2015 budget appropriation of \$5,000 from the Community Services District Zone A fund balance for the Official City Group sponsorship of the Moreno Valley Cultural Arts Foundation.

B. CONSENT CALENDAR-COMMUNITY SERVICES DISTRICT

B.1 ORDINANCES - READING BY TITLE ONLY

Recommendation: Waive reading of all Ordinances.

B.2 MINUTES - REGULAR MEETING OF OCTOBER 28, 2014 (Report of: City Clerk's Department)

Recommendation:

Approve as submitted.

B.3 APPROVE THE FIRST REVISION TO GENERAL MANAGEMENT POLICY #2.44 TO INCLUDE A SECOND OPTION FOR OFFICIAL CITY GROUPS DESIGNATION, DESIGNATE THE MORENO VALLEY CULTURAL ARTS FOUNDATION AS AN OFFICIAL CITY GROUP, AND APPROPRIATE SPONSORSHIP FUNDING

(Report of: Parks & Community Services Department)

Recommendations

1. Approve the first revision to General Management Policy #2.44, Assistance to Cultural and Performing Groups Designated “Official City Groups,” to allow a second option for “Official City Groups” designation.
2. Designate the Moreno Valley Cultural Arts Foundation as an Official City Group under the second option for the Vanguard Art Gallery/Museum.
3. Approve a Fiscal Year 2014/2015 budget appropriation of \$5,000 from the Community Services District Zone A fund balance for the Official City Group sponsorship of the Moreno

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C. CONSENT CALENDAR - HOUSING AUTHORITY

- C.1 ORDINANCES - READING BY TITLE ONLY
Recommendation: Waive reading of all Ordinances.
- C.2 MINUTES - REGULAR MEETING OF OCTOBER 28, 2014 (Report of: City Clerk's Department)

Recommendation:
Approve as submitted.

D. CONSENT CALENDAR - BOARD OF LIBRARY TRUSTEES

- D.1 ORDINANCES - READING BY TITLE ONLY
Recommendation: Waive reading of all Ordinances.
- D.2 MINUTES - REGULAR MEETING OF OCTOBER 28, 2014 (Report of: City Clerk's Department)

Recommendation:
Approve as submitted.

Motion to Approve Joint Consent Calendar Items A.1 through D.2, with Mayor Pro Tem Victoria Baca abstaining from Items A.7, A.9, A.10 and A.12, and Council Member Richard A. Stewart abstaining from Items A.2, B.2, C.2 and D.2 by m/Council Member George Price, s/Mayor Pro Tem Victoria Baca

Passed by a vote of 4-0.

E. PUBLIC HEARINGS

F. ITEMS REMOVED FROM CONSENT CALENDARS FOR DISCUSSION OR SEPARATE ACTION

G. REPORTS

- G.1 CITY COUNCIL REPORTS ON REGIONAL ACTIVITIES (Informational Oral Presentation - not for Council action)
 - G.1.1 Report by Mayor Pro Tem Baca on March Joint Powers Commission (MJPC)

Mayor Pro Tem Baca reported that she received a brief update from the last March Joint Powers Commission meeting. The Commission heard an update on the Heacock Flood Control Channel. This is a very complicated project because segments of the channel are owned by different agencies including the City, the JPA, the Riverside County Flood Control, and the Air Force.

For years, staff from these agencies, plus the Base and the Army Corps of Engineers has been collaborating on a plan to construct substantial improvements to the Channel to eliminate the flooding that Moreno Valley residents experience whenever we have a storm. Over the last year, the team has finalized the preferred design, completed volumes of technical studies for the environmental impact report and prepared construction drawings for two stages of the Project.

Last month, JPA representatives traveled to Atlanta to meet with the Air Force about funding their phase of the project. At that meeting, the Air Force agreed to fund their share of the channel but they need the cost to be reduced. Their share is estimated at \$8 to \$11 million, but they need their share to come in around \$7 million. The JPA is re-evaluating the design and the JPA Executive Director was confident they'd be able to accommodate the Air Force's funding limit.

The joint project is being submitted for a grant from the Department of Transportation. With the Air Force funding, if the grant is awarded, the JPA indicates that all of the construction costs will be funded. The project is on schedule to complete construction drawings by next July and construction is tentatively expected next October.

G.2 REPORT FOR UTILIZATION OF THE FY 2014/2015 – OTS STEP GRANT AND REVIEW OF THE RESULTS FOR THE FY 2013/2014 CALIFORNIA OFFICE OF TRAFFIC SAFETY (OTS) – STEP GRANT & SOBRIETY CHECKPOINT GRANT.

(Report of: Police Department)

Recommendations That the City Council:

1. Receive and File the Police Department's report regarding utilization of the FY 2014/2015 California Office of Traffic Safety (OTS) Selective Traffic Enforcement Program (STEP) grant, in the amount of \$170,000, for the period beginning October 1, 2014, and ending September 30, 2015.
2. Receive and File the Police Department's summary of benefits the City of Moreno Valley realized from the FY 2013/2014 OTS

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Selective Traffic Enforcement Program and Sobriety Checkpoint grant.

- G.3 APPROVE A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, TO AMEND THE ELECTRIC RATES FOR MORENO VALLEY UTILITY
(Report of: Public Works Department)

Recommendations That the City Council:

Approve Resolution No. 2014-94. A Resolution of the City Council of the City of Moreno Valley, California, to Amend the Electric Rates for Moreno Valley Utility.

Mayor Jesse L. Molina opened the agenda item for public comments; which were received from Roy Bleckert and Tom Jerele, Sr.

Approve Resolution No. 2014-94. A Resolution of the City Council of the City of Moreno Valley, California, to Amend the Electric Rates for Moreno Valley Utility by m/Mayor Pro Tem Victoria Baca, s/Council Member Richard A. Stewart

Passed by a vote of 4-0.

- G.4 ACCEPTANCE OF GRANT AWARD FROM THE AMERICAN SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS (ASPCA) – 2014 ASPCA RACHAEL RAY CHALLENGE
(Report of: Administrative Services Department)

Recommendations That the City Council:

Receive and accept a grant award in the amount of \$5,000 from the ASPCA for the Moreno Valley Animal Shelter's participation in the 2014 ASPCA Rachael Ray Challenge where the Animal Shelter exceeded its goal in the final placement of 333 more pets during June, July and August 2014 as compared to the same time period in 2013.

Receive and accept a grant award in the amount of \$5,000 from the ASPCA for the Moreno Valley Animal Shelter's participation in the 2014 ASPCA Rachael Ray Challenge where the Animal Shelter exceeded its goal in the final placement of 333 more pets during June, July and August 2014 as compared to the same time period in 2013 by m/Council Member George Price, s/Mayor Pro Tem Victoria Baca

Passed by a vote of 4-0.

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G.5 CITY MANAGER'S REPORT (Informational Oral Presentation - not for Council action)

1. Thank you to Mayor Molina, Mayor Pro Tem Baca as well as our City staff for their support and participation in the Annual Veterans's Day Ceremony event.
2. Recently Assistant City Manager Tom DeSantis and I met with representatives from the Riverside County Economic Development Agency. The County issued a request for proposals for the development of healthcare related facilities on 32 acres next to the Riverside County Regional Medical Center. The purpose of the meeting was to thank County EDA for bringing this proposed project to Moreno Valley and to request that the City have the opportunity to participate in the review of the proposals. EDA staff welcomed the City's participation and indicated they will come to an upcoming Council meeting to discuss the project.
3. 3. Congratulations to the City Council as Standard & Poors announced that the City earned a credit rating upgrade from an A to A+ with a stable outlook.

G.6 CITY ATTORNEY'S REPORT (Informational Oral Presentation - not for Council action)

In Closed Session on August 26, 2014, the Council voted 4-0 (Molina, Baca, Price and Stewart) to authorize negotiations for the City to purchase property at the northwest corner of Kitching and Edwin (APN 312-250-016) for a substation. The negotiations have resulted in the purchase of the property for \$489,000 from Nancy Arnold which was the subject of the earlier item tonight for the substation.

H. LEGISLATIVE ACTIONS

- H.1 ORDINANCES - 1ST READING AND INTRODUCTION - NONE
- H.2 ORDINANCES - 2ND READING AND ADOPTION - NONE
- H.3 ORDINANCES - URGENCY ORDINANCES - NONE
- H.4 RESOLUTIONS - NONE

**CLOSING COMMENTS AND/OR REPORTS OF THE CITY COUNCIL,
COMMUNITY SERVICES DISTRICT, CITY AS SUCCESSOR AGENCY FOR THE
COMMUNITY REDEVELOPMENT AGENCY OR HOUSING AUTHORITY**

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Council Member Richard A. Stewart

1. In 24 years I have learned that what makes Council look good is staff. Staff does the hard work, leg work and research. When there were challenges with the recalled Mayor, the issues still needed to be addressed; the roads, public safety and barking dogs. Staff is the backbone to this City.
2. Police station used to be in the Mortuary on Sunnymead Blvd.; then to Business Center Drive before building the station across the parking lot. Public Safety is expensive
3. Very happy with LaDonna and Yxstian being elected to the City Council.
4. Fantastic staff and John Terrell is retiring, who has been here a long time.

Council Member George Price

1. Congratulations to LaDonna Jempson and Dr. Gutierrez. Good council moving forward and congratulations to everyone who ran in the election. We're going to need people on various committees.
2. Also, congratulations to Jesus Holguin, C.J. Johnson and Gary Baugh for being re-elected to the Moreno Valley Unified School Board. Looking forward to working and partnering with them in the future and educating our children.
3. Congratulations to Tracey Vackar for Riverside Community College District; Moreno Valley finally has a voice, terrific job.
4. Chamber celebrating Moreno Valley was a successful event and Veteran's Day event as well. Congratulations and thank you to our Veteran's in our City.
5. The City is turning 30 years old and having a small party. Celebration will be December 3 at 4:00 o'clock.
6. Rotary Club recognition and thank you.
7. Wind Symphony Concert at Conference & Recreation Center.
8. Richard, thank you for 24 years of service; you've always been supportive
9. Thank you to Victoria for her service

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Mayor Pro Tem Victoria Baca

1. Congratulations Richard Stewart for your service. We haven't always seen eye to eye, stay involved and mentor those who need advice.
2. I will miss you all, and you will all do great job for our City. I have enjoyed it.
3. I will be recusing myself from Closed Session

Mayor Jesse L. Molina

1. Richard you did one heck of job for your District and you have been a mentor.
2. Will miss Victoria.
3. Welcome to those who got elected, look forward to working with you.
4. Thank you to staff for hard work.
5. John Terrell is one of the most honest people, wish you well.
6. Happy Thanksgiving.

CLOSED SESSION

A Closed Session of the City Council, Community Services District, City as Successor Agency for the Community Redevelopment Agency and Housing Authority was held in the City Manager's Conference Room, Second Floor, City Hall. The City Council will meet in Closed Session to confer with its legal counsel regarding the following matter(s) and any additional matter(s) publicly and orally announced by the City Attorney in the Council Chamber at the time of convening the Closed Session.

The Closed Session was held pursuant to Government Code:

In Closed Session tonight, the Council will be discussing labor negotiations as listed on the agenda. The Council will be discussing the Mobbs and Dominguez cases as listed on the agenda. The Council will not be discussing the Davis v the City case. Pursuant to Government Code section 54956.9(d)(2), the Council will be discussing the People v Gutierrez case as described on the agenda.

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Pursuant to Government Code section 36503.5, Mayor Pro Tem should recuse herself and not participate in the discussions of cases tonight. I do not anticipate any reportable action tonight.

**REPORT OF ACTION FROM CLOSED SESSION, IF ANY, BY CITY ATTORNEY-
none**

ADJOURNMENT

There being no further business to conduct, the meeting was adjourned at 8:04 p.m. by unanimous informal consent.

Submitted by:

Jane Halstead, City Clerk, CMC
Secretary, Moreno Valley Community Services District
Secretary, City as Successor Agency for the Community Redevelopment Agency of
the City of Moreno Valley
Secretary, Moreno Valley Housing Authority
Secretary, Board of Library Trustees

Approved by:

Jesse L. Molina, Mayor
President, Moreno Valley Community Services District
Chairperson, City as Successor Agency for the Community Redevelopment Agency
of the City of Moreno Valley
Chairperson, Moreno Valley Housing Authority
Chairperson, Board of Library Trustees

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November 18, 2014



APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>R</i>
CITY MANAGER	<i>D</i>

Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, P.E., Public Works Director/City Engineer

AGENDA DATE: December 9, 2014

TITLE: AUTHORIZE THE AWARD OF THE CONSTRUCTION CONTRACT TO HILLCREST CONTRACTING FOR HEACOCK STREET WIDENING IMPROVEMENTS FROM SAN MICHELE ROAD TO PERRIS VALLEY STORM DRAIN LATERAL A PROJECT NO. 801 0027 70 77

RECOMMENDED ACTION

Recommendations:

1. Award the construction contract to Hillcrest Contracting, 1467 Circle City Drive, Corona, CA 92879, the lowest responsible bidder, for the Heacock Street Widening Improvements from San Michele Road to Perris Valley Storm Drain Lateral A Project.
2. Authorize the City Manager to execute a contract with Hillcrest Contracting.
3. Authorize the issuance of a Purchase Order to Hillcrest Contracting, for the amount of \$1,538,634.72 (\$1,373,781 bid amount plus 12% contingency) when the contract has been signed by all parties.
4. Authorize the Public Works Director/City Engineer to execute any subsequent related minor change orders to the contract with Hillcrest Contracting up to, but not exceeding, the 12% contingency amount of \$164,853.72, subject to the approval of the City Attorney.
5. Appropriate \$24,000 from the unencumbered Measure A fund balance to Heacock Street Widening Improvements from San Michele Road to Perris Valley Storm Drain Lateral A (Account No. 2001-70-77-80001-720199) to cover the cost of bid

items and administrative costs which are not Transportation Uniform Mitigation Fee reimbursable expenses.

SUMMARY

This report recommends approval of a contract with Hillcrest Contracting to construct the widening of Heacock Street from San Michele Road to Perris Valley Storm Drain Lateral A. The Project will widen Heacock Street to a four-lane arterial which will provide additional vehicle capacity and level of service. The construction phase of this project is funded by Transportation Uniform Mitigation Fees (TUMF) funds (Fund 3003) and Measure A funds (Fund 2001).

The project is budgeted at approximately \$1.7 million, and has been approved in the 2014/2015 Capital Improvement Plan.

DISCUSSION

On April 8, 2014, the City Council approved the Agreement between the Western Riverside Council of Governments (WRCOG) and the City for the use of Transportation Uniform Mitigation Fee (TUMF) funds for the construction phase of the Heacock Street Widening Improvements from San Michele Road to Perris Valley Storm Drain Lateral A Project.

This construction project involves the widening of approximately 4,250 linear feet of Heacock Street from San Michele Road to Perris Valley Storm Drain Lateral A. The work will be along the westerly edge of Heacock Street from San Michele Road to 2,000 feet north of Cardinal Avenue, and full width street improvements from 2,000 north of Cardinal Avenue to the southerly side of the Perris Valley Storm Drain Lateral A bridge. The proposed work includes the construction of street improvements and drainage improvements. Construction will include coordination with Eastern Municipal Water District (EMWD), Western Municipal Water District, Southern California Edison, March Air Reserve Base (MARB), and March Joint Powers Authority (MJPA).

When completed, the Heacock Street Widening Improvements from San Michele Road to Perris Valley Storm Drain Lateral A will complete the ultimate street improvements along Heacock Street between San Michele Road and Krameria Avenue. These improvements will facilitate access and economic vitality to an area that currently includes Proctor and Gamble, Amazon, Lowes, and Cardinal Glass.

A Mitigated Negative Declaration (MND) was approved by the City Council on July 8, 2008 and mitigation measures included in the Final Initial Study/Environmental Assessment were incorporated into the project specifications and will be implemented through the Mitigation Monitoring and Reporting Program to reduce all potential environmental impacts to an acceptable level. In November 2014, Capital Projects and Planning Division staff met and determined that the previously approved Mitigated Negative Declaration is still valid for this project.

The Notice Inviting Bids was advertised for the subject project and formal bidding procedures have been followed in conformance with Public Contract Code. The City Clerk opened bids at 10:15 a.m. on November 6, 2014 for the project. Four (4) bids were received as follows:

<u>CONTRACTORS</u>	<u>Verified Bid Amounts</u>
1. Hillcrest Contracting, Corona	\$1,373,781.00
2. Griffith Company, Montclair.....	\$1,399,495.00
3. Hardy & Harper, Inc., Santa Ana.....	\$1,669,000.00
4. All American Asphalt, Corona.....	\$1,715,973.00

The lowest responsible bidder was determined by comparing the cumulative total for all bid items (Base Bid plus Alternate Bid Nos. 1, 2, 3, 4 and 5), as stipulated in the Bidding Documents. Staff has reviewed the bid of Hillcrest Contracting and finds it to be the lowest responsible bidder in possession of a valid license and bid bond. No outstanding issues were identified through review of the references submitted by Hillcrest Contracting in their bid.

Following the bid opening, staff reviewed the alternate bids and available funding, and is recommending the award of the Base Bid items, plus all of the Alternate Bids 1 (Street Lights), 2 (Additional Sidewalk on the west side of Heacock Street, north of San Michele Road), 3 (Additional Sidewalk on the west side of Heacock Street, south of Perris Valley Storm Drain Lateral A Bridge), 4 (Additional Sidewalk on the east side of Heacock Street, north of Perris Valley Storm Drain Lateral A Bridge), and 5 (Slurry Seal installation). Staff is recommending issuance of a Purchase Order to Hillcrest Contracting for \$1,538,634.72 which includes 12% contingency.

The Contingency of 12% of the Base Bid and Alternates 1, 2, 3, 4 and 5 (\$164,853.72) is needed to account for any latent or unforeseen circumstances encountered during construction. Unforeseen conditions may include unsuitable soils or hazardous wastes which need to be properly processed and removed. There also may be other conflicting appurtenance that will have to be addressed during grading and excavating the roadways. Additional work may also be anticipated while working on the adjacent drainage channel.

ALTERNATIVES

1. Approve and authorize the recommended actions as presented in this staff report. *This alternative will provide for the timely expenditure of funds and the construction of the Heacock Street Widening Improvement from San Michele Road to Perris Valley Storm Drain Lateral A.*
2. Do not approve and authorize the recommended actions as presented in this staff report. *This alternative will result in delaying the timely construction of the project and possible loss of funds. Lack of street improvements will result in access issues due to traffic level of service to the adjacent businesses.*

FISCAL IMPACT

This project is included in the Fiscal Year 2014/2015 Capital Improvement Plan Budget and is financed by Transportation Uniform Mitigation Fee Funds (3003) and Measure A Funds (2001). The TUMF funds provide for reimbursement of up to \$1,629,676. Staff is requesting an appropriation of \$24,000 from the unencumbered Measure A fund balance to Account No. 2001-70-77-80001-720199 to cover the cost of the bid alternate items and other miscellaneous costs which will not be reimbursable by TUMF. There is no impact to the General Fund. Once constructed, street maintenance costs over a 20 year period are estimated to average approximately \$12,000 per lane mile, per year. Maintenance costs are typically funded by Measure A or Gas Tax monies that the City receives on an annual basis.

Proposed Appropriation for Fiscal Year 2014/2015:

Category	Fund	Project Number (PN) GL Account (GL)	Type	Original Budget	Proposed Adjustment	Revised Budget
CIP	TUMF (3003)	GL – 3003-70-77-80001-720199 PN – 801 0027 70 77-3003-99	Exp	\$6,089,701 \$1,626,493	\$0 \$0	\$6,089,701 \$1,626,493
CIP	Measure A (2001)	GL – 2001-70-77-80001-720199 PN – 801 0027 70 77-2001-99	Exp	\$9,465,386 \$97,810	\$24,000 \$24,000	\$9,489,386 \$121,810

Fiscal Year 2014/2015 PROJECT BUDGET:

TUMF Fund

GL Account No. 3003-70-77-80001

Project No. 801 0027 70 77-3003 \$1,626,500

Measure A Fund

GL Account No. 2001-70-77-80001

Project No. 801 0027 70 77-2001 \$121,800

Total \$1,748,300

ESTIMATED CONSTRUCTION RELATED COSTS:

Construction Costs (includes 12% contingency)\$1,538,700

Construction Geotechnical Services..... \$63,100

Construction Survey Services \$38,200

Project Administration and Inspection \$108,000

Total Estimated Construction Related Costs \$1,748,000

ANTICIPATED PROJECT SCHEDULE:

Award Construction ContractDecember 2014

Complete Construction.....September 2015

CITY COUNCIL GOALS

PUBLIC SAFETY:

Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

PUBLIC FACILITIES AND CAPITAL PROJECTS:

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

NOTIFICATION

The City provided information and outreach during the design phase of the project. An open house meeting to provide project information was conducted on October 6, 2014 at City Hall Council Chamber.

Prior to construction starting, all utilities, adjacent property owners, and business owners in the area as well as law enforcement, fire department and other emergency services responders will be notified of the construction.

ATTACHMENTS

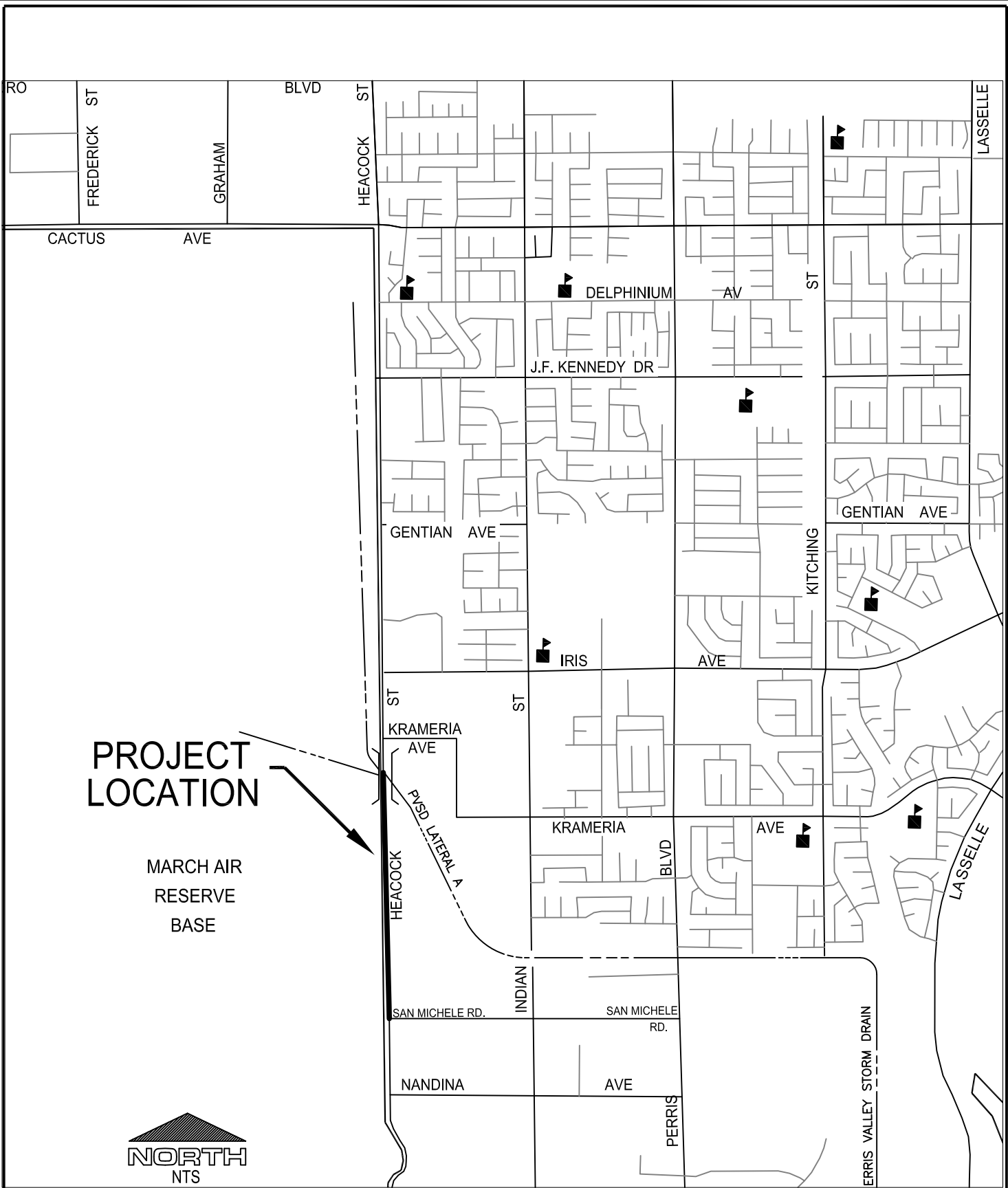
- Attachment 1: Location Map
- Attachment 2: Agreement with Hillcrest Contracting

Prepared By:
Clement Jimenez
Senior Engineer, P.E.

Department Head Approval
Ahmad R. Ansari, P.E
Public Works Director/City Engineer

Concurred By:
Prem Kumar, P.E.
Deputy Public Works Director/Assistant City Engineer

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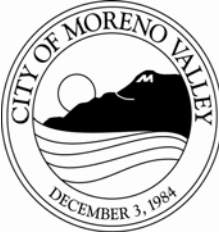


PROJECT
LOCATION

MARCH AIR
RESERVE
BASE



LOCATION MAP



Public Works Department
Capital Projects Division

ATTACHMENT 1

HEACOCK STREET
PVSD LATERAL A TO SAN MICHELE RD.

-65- PROJECT NO. 801 002 **Item No. A.3**

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Agreement No. _____

AGREEMENT

PROJECT NO. 801 0027 70 77

HEACOCK STREET IMPROVEMENTS Heacock Street Widening/San Michele to Perris Valley Storm Drain Lateral A

THIS Agreement, effective as of the date signed by the City of Moreno Valley by and between the City of Moreno Valley, a municipal corporation, County of Riverside, State of California, hereinafter called the "City" and **Hillcrest Contracting, Inc.**, hereinafter called the "Contractor."

That the City and the Contractor for the consideration hereinafter named, agree as follows:

1. CONTRACT DOCUMENTS. The Contract Documents consist of the following, which are incorporated herein by this reference:

- A. Governmental approvals, including, but not limited to, permits required for the Work
- B. Any and all Contract Change Orders issued after execution of this Agreement
- C. This Agreement
- D. Addenda Nos. N/A inclusive, issued prior to the opening of the Bids
- E. City Special Provisions, including the General Provisions and Technical Provisions
- F. Standard Specifications for Public Works Construction ("Greenbook") – latest edition in effect at the Bid Deadline, as modified by the City Special Provisions
- G. Reference Specifications/Reference Documents other than those listed in paragraph 2, below
- H. Project Plans
- I. City Standard Plans
- J. Caltrans Standard Plans
- K. EMWD Standard Plans
- L. The bound Bidding Documents
- M. Contractor's Certificates of Insurance and Additional Insured Endorsements
- N. Contractor's Bidder's Proposal and Subcontractor Listing
- O. Environmental Mitigation Measures

In the event of conflict between any of the Contract Documents, the provisions placing a more stringent requirement on the Contractor shall prevail. The Contractor shall provide the better quality or greater quantity of Work and/or materials unless otherwise directed by City in writing. In the event none of the Contract Documents place a more stringent requirement or greater burden on the Contractor, the controlling provision shall be that which is found in the document with higher precedence in accordance with the above order of precedence.

2. REFERENCE DOCUMENTS. The following Reference Documents are not considered Contract Documents and are made available to the Contractor for informational purposes:

- A. Geotechnical Reports
- B. Initial Study/Mitigated Negative Declaration Report

3. SCOPE OF WORK. The Contractor shall perform and provide all materials, tools, equipment, labor, and services necessary to complete the Work described in the Contract Documents, except as otherwise provided in the Plans, Standard Specifications, or City Special Provisions to be the responsibility of others.

4. PAYMENT.

4.1. Contract Price and Basis for Payment. In consideration for the Contractor’s full, complete, timely, and faithful performance of the Work required by the Contract Documents, the City shall pay Contractor for the actual quantity of Work required under the Bid Items awarded by the City performed in accordance with the lump sum prices and unit prices for Bid Items and Alternate Bid Items, if any, set forth the Bidder’s Proposal submitted with the Bid. The sum of the unit prices and lump sum prices for the Base Bid Items and Alternate Bid Items, if any, awarded by the City is ONE MILLION THREE HUNDRED SEVENTY-THREE, SEVEN HUNDRED EIGHTY-ONE Dollars (\$1,373,781.00) (“Contract Price”). The Alternate Bid Items selected by the City and included in the Contract are: 1, 2, 3, 4, and 5. It is understood and agreed that the quantities set forth in the Bidder’s Proposal for which unit prices are fixed are estimates only and that City will pay and Contractor will accept, as full payment for these items of work, the unit prices set forth in the Bidder’s Proposal multiplied by the actual number of units performed, constructed, or completed as directed by the City Engineer.

4.2. Payment Procedures. Based upon applications for payment submitted by the Contractor to the City, the City shall make payments to the Contractor in accordance with Article 9 of the Standard Specifications, as modified by Article 9 of the City Special Provisions.

5. CONTRACT TIME.

A. Contract Time. The Contract Time shall be determined in accordance with the following:

Base Bid	80 Working Days
Alternate 1	20 Working Days
Alternate 2	5 Working Days
Alternate 3	5 Working Days
Alternate 4	5 Working Days
Alternate 5	5 Working Days

B. Initial Notice to Proceed. After the Agreement has been fully executed by the Contractor and the City, the City shall issue the “Notice to Proceed to Fulfill Preconstruction Requirements and Notice to Proceed with Order of Materials.” The date specified in the Notice to Proceed to Fulfill Preconstruction Requirements and Notice to Proceed with Order of Materials constitutes the date of commencement of the Contract Time of **eighty (80) Working Days plus any additional time for the selected Additive Bid Alternates**. The Contract Time includes the time necessary to fulfill preconstruction requirements, place the order of materials, and to complete construction of the Project (except as adjusted by subsequent Change Orders).

The Notice to Proceed to Fulfill Preconstruction Requirements and Notice to Proceed with Order of Materials shall further specify that Contractor must complete the preconstruction

requirements and order materials within **ten (10) Working Days** after the date of commencement of the Contract Time; this duration is part of the Contract Time.

Preconstruction requirements include, but are not limited to, the following:

- Submitting and obtaining approval of Traffic Control Plans
- Submitting and obtaining approval of the Stormwater Pollution Prevention Plan (SWPPP)/Water Pollution Control Plan (WPCP)
- Submitting and obtaining approval of critical required submittals
- Installation of the approved Project Identification Signs
- Obtaining an approved no fee Encroachment Permit
- Obtaining a Temporary Use Permit for a construction yard
- Notifying all agencies, utilities, residents, etc., as outlined in the Bidding Documents

If the City's issuance of a Notice to Proceed to Fulfill Preconstruction Requirements and Notice to Proceed with Order of Materials is delayed due to Contractor's failure to return the fully executed Agreement and insurance and bond documents within ten (10) Working Days after Contract award, then Contractor agrees to the deduction of one (1) Working Day from the number of days to complete the Project for every Working Day of delay in the City's receipt of said documents. This right is in addition to and does not affect the City's right to demand forfeiture of Contractor's Bid Security if Contractor persistently delays in providing the required documentation.

C. Notice to Proceed with Construction. After all preconstruction requirements are met and materials have been ordered in accordance with the Notice to Proceed to Fulfill Preconstruction Requirements and Notice to Proceed with Order of Materials, the City shall issue the "Notice to Proceed with Construction," at which time the Contractor shall diligently prosecute the Work, including corrective items of Work, day to day thereafter, within the remaining Contract Time.

6. LIQUIDATED DAMAGES AND CONTROL OF WORK

6.1. Liquidated Damages. The Contractor and City (collectively, the "Parties") have agreed to liquidate damages with respect to Contractor's failure to fulfill the preconstruction requirements, and/or failure to complete the Work within the Contract Time. The Parties intend for the liquidated damages set forth herein to apply to this Contract as set forth in Government Code Section 53069.85. Contractor acknowledges and agrees that the liquidated damages are intended to compensate the City solely for Contractor's failure to meet the deadline for completion of the Work and will not excuse Contractor from liability from any other breach, including any failure of the Work to conform to the requirements of the Contract Documents.

In the event that Contractor fails to fulfill the preconstruction requirements and/or fails to complete the Work within the Contract Time, Contractor agrees to pay the City **\$1,400.00 per Calendar day** that completion of the Work is delayed beyond the Contract Time, as adjusted by Contract Change Orders. The Contractor will not be assessed liquidated damages for delays occasioned by the failure of the City or of the owner of a utility to provide for the removal or relocation of utility facilities.

The Contractor and City acknowledge and agree that the foregoing liquidated damages have been set based on an evaluation of damages that the City will incur in the event of late completion of the Work. The Contractor and City acknowledge and agree that the amount of such damages are impossible to ascertain as of the date of execution hereof and have agreed to such liquidated damages to fix the City's damages and to avoid later disputes. It is understood and agreed by Contractor that liquidated damages payable pursuant to this Agreement are not a penalty and that

such amounts are not manifestly unreasonable under the circumstances existing as of the date of execution of this Agreement.

It is further mutually agreed that the City will have the right to deduct liquidated damages against progress payments or retainage and that the City will issue a Change Order or Construction Change Directive and reduce the Contract Price accordingly. In the event the remaining unpaid Contract Price is insufficient to cover the full amount of liquidated damages, Contractor shall pay the difference to the City.

6.2. Any work completed by the Contractor after the issuance of a Stop Work Notice by the City shall be rejected and/or removed and replaced as specified in Section 2-11 of the Special Provisions.

6.3. **Owner is Exempt from Liability for Early Completion Delay Damages.** While the Contractor may schedule completion of all of the Work, or portions thereof, earlier than the Contract Time, the Owner is exempt from liability for and the Contractor will not be entitled to an adjustment of the Contract Sum or to any additional costs, damages, including, but not limited to, claims for extended general conditions costs, home office overhead, jobsite overhead, and management or administrative costs, or compensation whatsoever, for use of float time or for Contractor's inability to complete the Work earlier than the Contract Time for any reason whatsoever, including but not limited to, delay cause by Owner or other Excusable Compensable Delay. See Section 6-6 of the Standard Specifications and City Special Provisions regarding compensation for delays.

7. INSURANCE.

7.1. **General.** The Contractor shall procure and maintain at its sole expense and throughout the term of this Agreement, any extension thereof, Commercial General Liability, Automobile Liability, and Workers' Compensation Insurance with such coverage limits as described herein.

7.2. **Additional Insured Endorsements.** The Contractor shall cause the insurance required by the Contract Document to include the City of Moreno Valley, the City Council and each member thereof, the Moreno Valley Housing Authority (MVHA), and the Moreno Valley Community Services District (CSD), and Western Riverside Council of Governments (WRCOG) and their respective officials, employees, commission members, officers, directors, agents, employees, volunteers and representatives as an additional insureds. For the Commercial General Liability coverage, said parties shall be named as additional insureds utilizing either:

1. Insurance Services Office ("ISO") Additional Insured endorsement CG 20 10 (11/85); or
2. ISO Additional Insured endorsement CG 20 10 (10/01) and Additional Insured Completed Operations endorsement CG 20 37 (10/01); or
3. substitute endorsements providing equivalent coverage, approved by the City.

The endorsements shall be signed by a person authorized by the insurer to bind coverage on its behalf. The coverage shall contain no special limitations on the scope of protection afforded to such

additional insureds. Coverage for such additional insureds does not extend to liability to the extent prohibited by Insurance Code Section 11580.4.

7.3. **Waivers of Subrogation.** All policies of insurance required by the Contract Documents shall include or be endorsed to provide a waiver by the insurers of any rights of recovery or subrogation that the insurers may have at any time against the City of Moreno Valley, the City Council and each member thereof, the Moreno Valley Housing Authority (MVHA), and the Moreno Valley Community Services District (CSD), and Western Riverside Council of Governments (WRCOG) and their respective officials, employees, commission members, officers, directors, agents, employees, volunteers and representatives.

7.4. **Primary Coverage.** All policies and endorsements shall stipulate that the Contractor's (and the Subcontractors') insurance coverage shall be primary insurance as respects the City of Moreno Valley, the City Council and each member thereof, the Moreno Valley Housing Authority (MVHA), and the Moreno Valley Community Services District (CSD), and Western Riverside Council of Governments (WRCOG) and their respective officials, employees, commission members, officers, directors, agents, employees, volunteers and representatives, and shall be in excess of the Contractor's (and its Subcontractors') insurance and shall not contribute with it.

7.5. **Coverage Applies Separately to Each Insured and Additional Insured.** Coverage shall state that the Contractor's (and its Subcontractors') insurance shall apply separately to each insured or additional insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. Coverage shall apply to any claim or suit brought by an additional insured against a named insured or other insured.

7.6. **Self-Insurance.** Any self-insurance (including deductibles or self-insured retention in excess of \$50,000) in lieu of liability insurance must be declared by Contractor and approved by the City in writing prior to execution of the Agreement. The City's approval of self-insurance, if any, is within the City's sole discretion and is subject to the following conditions:

1. Contractor must, at all times during the term of the Agreement and for a period of at least **one (1)** year after completion of the Project, and any extension of the one-year correction guarantee period in accordance with Section 6-8.1 of the City Special Provisions, maintain and upon Owner's reasonable request provide evidence of:
 - (a) Contractor's "net worth" (defined as "total assets" [defined as all items of value owned by the Contractor including tangible items such as cash, land, personal property and equipment and intangible items such as copyrights and business goodwill]) minus total outside liabilities must be reflected in a financial statement for the prior fiscal year reflecting sufficient income and budget for Contractor to afford at least one loss in an amount equal to the amount of self-insurance;
 - (b) financial statements showing that Contractor has funds set aside/budgeted to finance the self-insured fund (i.e., Contractor has a program that fulfills functions that a primary insurer would fill; and
 - (c) a claims procedure that identifies how a claim is supposed to be tendered to reach the financing provided by the self-insured fund.

2. If at any time after such self-insurance has been approved Contractor fails to meet the financial thresholds or otherwise fails to comply with the provisions set forth in this Paragraph 7, at the option of the City:
 - (a) the Contractor shall immediately obtain and thereafter maintain the third party insurance required under this Paragraph 7 and otherwise on the terms required above; or
 - (b) the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the City, its officers, officials, employees and volunteers; or
 - (c) the Contractor shall procure a bond guaranteeing payment of losses and related investigation, claim administration, and defense expenses.

7.7. Insurer Financial Rating. Insurance companies providing insurance hereunder shall be rated A:VII or better in Best's Insurance Rating Guide and shall be legally licensed and qualified to conduct insurance business in the State of California.

7.8. Notices to City of Cancellation or Changes. Each insurance policy described in this Paragraph 7 shall contain a provision or be endorsed to state that coverage will not be cancelled without **thirty (30) days'** prior written notice by certified or registered mail to the City (this obligation may be satisfied in the alternative by requiring such notice to be provided by Contractor's insurance broker and set forth on its Certificate of Insurance provided to the City), except that cancellation for non-payment of premium shall require (10) days prior written notice by certified or registered mail. If an insurance carrier cancels any policy or elects not to renew any policy required to be maintained by Contractor pursuant to the Contract Documents, Contractor agrees to give written notice to the City at the address indicated on the first page of the Agreement. Contractor agrees to provide the same notice of cancellation and non-renewal to the City that is required by such policy(ies) to be provided to the First Named Insured under such policy(ies). Contractor shall provide confirmation that the required policies have been renewed not less than seven (7) days prior to the expiration of existing coverages and shall deliver renewal or replacement policies, certificates and endorsements to the City Clerk within fourteen (14) days of the expiration of existing coverages. Contractor agrees that upon receipt of any notice of cancellation or alteration of the policies, Contractor shall procure within five (5) days, other policies of insurance similar in all respects to the policy or policies to be cancelled or altered. Contractor shall furnish to the City Clerk copies of any endorsements that are subsequently issued amending coverage or limits within fourteen (14) days of the amendment.

7.9. Commercial General Liability. Coverage shall be written on an ISO Commercial General Liability "occurrence" form CG 00 01 (10/01 or later edition) or equivalent form approved by the City for coverage on an occurrence basis. The insurance shall cover liability, including, but not limited to, that arising from premises operations, stop gap liability, independent contractors, products-completed operations, personal injury, advertising injury, and liability assumed under an insured contract. The policy shall be endorsed to provide the Aggregate Per Project Endorsement ISO form CG 25 03 (11/85). Coverage shall contain no contractors' limitation or other endorsement limiting the scope of coverage for liability arising from pollution, explosion, collapse, or underground (x, c, u) property damage. Contractor shall provide Products/Completed Operations coverage to be maintained continuously for a minimum of **one (1) year** after Final Acceptance of the Work, and any extension of the one-year correction guarantee period in accordance with Section 6-8.1 of the City Special Provisions.

Contractor shall maintain Commercial General Liability insurance with the following minimum limits: \$1,000,000 per occurrence / \$2,000,000 aggregate / \$2,000,000 products-completed operations.

7.10. **Business Automobile Liability.** Coverage shall be written on ISO form CA 00 01 (12/93 or later edition) or a substitute form providing equivalent coverage for owned, hired, leased and non-owned vehicles, whether scheduled or not, with \$1,000,000 combined single limit per accident for bodily injury and property damage. If necessary, the policy shall be endorsed to provide contractual liability coverage.

7.11. **Workers' Compensation.** Contractor shall comply with the applicable sections of the California Labor Code concerning workers' compensation for injuries on the job. Compliance is accomplished in one of the following manners:

1. Provide copy of permissive self-insurance certificate approved by the State of California; or
2. Secure and maintain in force a policy of workers' compensation insurance with statutory limits and Employer's Liability Insurance with a minimal limit of **\$1,000,000** per accident; or
3. Provide a "waiver" form certifying that no employees subject to the Labor Code's Workers' Compensation provision will be used in performance of this Contract.

7.12. **Subcontractors' Insurance.** The Contractor shall include all Subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each Subcontractor. All coverages for Subcontractors shall be subject to all of the requirements stated herein.

8. **BONDS.** The Contractor shall furnish a satisfactory Performance Bond meeting all statutory requirements of the State of California on the form provided by the City. The bond shall be furnished as a guarantee of the faithful performance of the requirements of the Contract Documents as may be amended from time to time, including, but not limited to, liability for delays and damages (both direct and consequential) to the City and the City's Separate Contractors and consultants, warranties, guarantees, and indemnity obligations, in an amount that shall remain equal to one hundred percent (100%) of the Contract Price.

The Contractor shall furnish a satisfactory Labor and Materials Payment Bond meeting all statutory requirements of the State of California on the form provided by the City in an amount that shall remain equal to one hundred percent (100%) of the Contract Price to secure payment of all claims, demands, stop notices, or charges of the State of California, of material suppliers, mechanics, or laborers employed by the Contractor or by any Subcontractor, or any person, firm, or entity eligible to file a stop notice with respect to the Work.

All bonds shall be executed by a California-admitted surety insurer. Bonds issued by a California-admitted surety insurer listed on the latest version of the U.S Department of Treasury Circular 570 shall be deemed accepted unless specifically rejected by the City. Bonds issued by sureties not listed in Treasury Circular 570 must be accompanied by all documents enumerated in California Code of Civil Procedure Section 995.660(a). The bonds shall bear the same date as the Contract. The attorney-in-fact who executes the required bonds on behalf of the surety shall affix thereto a certified and current copy of the power of attorney. In the event of changes that increase the Contract Price, the amount of each bond shall be deemed to increase and at all times remain equal

to the Contract Price. The signatures shall be acknowledged by a notary public. Every bond must display the surety's bond number and incorporate the Contract for construction of the Work by reference. The terms of the bonds shall provide that the surety agrees that no change, extension of time, alteration, or modification of the Contract Documents or the Work to be performed thereunder shall in any way affect its obligations and shall waive notice of any such change, extension of time, alteration, or modification of the Contract Documents. The surety further agrees that it is obligated under the bonds to any successor, grantee, or assignee of the City.

Upon the request of any person or entity appearing to be a potential beneficiary of bonds covering payment of obligations arising under the Contract, the Contractor shall promptly furnish a copy of the bonds or shall authorize a copy to be furnished.

Should any bond become insufficient, or should any of the sureties, in the opinion of the City, become non-responsible or unacceptable, the Contractor shall, within ten (10) Calendar Days after receiving notice from the City, provide written documentation to the Satisfaction of the City that Contractor has secured new or additional sureties for the bonds; otherwise the Contractor shall be in default of the Contract. No further payments shall be deemed due or will be made under Contract until a new surety(ies) qualifies and is accepted by the City.

Contractor agrees that the Labor and Materials Payment Bond and Faithful Performance Bond attached to this Agreement are for reference purposes only, and shall not be considered a part of this Agreement. Contractor further agrees that said bonds are separate obligations of the Contractor and its surety, and that any attorney's fee provision contained in any payment bond or performance bond shall not apply to this Agreement. In the event there is any litigation between the parties arising from the breach of this Agreement, each party will bear its own attorneys' fees in the litigation.

9. RECORDS. The Contractor and its Subcontractors shall maintain and keep books, payrolls, invoices of materials, and Project records current, and shall record all transactions pertaining to the Contract in accordance with generally acceptable accounting principles. Said books and records shall be made available to the City of Moreno Valley, Riverside County, the State of California, the Federal Government, and to any authorized representative thereof for purposes of audit and inspection at all reasonable times and places. All such books, payrolls, invoices of materials, and records shall be retained for at least three (3) years after Final Acceptance.

10. INDEMNIFICATION.

10.1. **General.** To the fullest extent permitted by law, the Contractor assumes liability for and agrees, at the Contractor's sole cost and expense, to promptly and fully indemnify, protect, hold harmless and defend (even if the allegations are false, fraudulent, or groundless), the City of Moreno Valley, its City Council, the Moreno Valley Housing Authority (MVHA), and the Moreno Valley Community Services District (CSD), and Western Riverside Council of Governments (WRCOG) and all of their respective officials, officers, directors, employees, commission members, representatives and agents ("Indemnitees"), from and against any and all claims, allegations, actions, suits, arbitrations, administrative proceedings, regulatory proceedings, or other legal proceeds, causes of action, demands, costs, judgments, liens, stop notices, penalties, liabilities, damages, losses, anticipated losses of revenues, and expenses (including, but not limited to, any fees of accountants, attorneys, experts or other professionals, or investigation expenses), or losses of any kind or nature whatsoever, whether actual, threatened or alleged, arising out of, resulting from, or in any way (either directly or indirectly), related to the Work, the Project or any breach of the Contract by Contractor or any of its officers, agents, employees, Subcontractors, Sub-subcontractors, or any

person performing any of the Work, pursuant to a direct or indirect contract with the Contractor (“Indemnity Claims”). Such Indemnity Claims include, but are not limited to, claims for:

- A. Any activity on or use of the City’s premises or facilities;
- B. Any liability incurred due to Contractor acting outside the scope of its authority pursuant to the Contract, whether or not caused in part by an Indemnified Party;
- C. The failure of Contractor or the Work to comply with any Applicable Law, permit or orders;
- D. Any misrepresentation, misstatement or omission with respect to any statement made in the Contract Documents or any document furnished by the Contractor in connection therewith;
- E. Any breach of any duty, obligation or requirement under the Contract Documents, including, but not limited to any breach of Contractor’s warranties, representations or agreements set forth in the Contract Documents;
- F. Any failure to coordinate the Work with City’s Separate Contractors;
- G. Any failure to provide notice to any party as required under the Contract Documents;
- H. Any failure to act in such a manner as to protect the Project from loss, cost, expense or liability;
- I. Bodily or personal injury, emotional injury, sickness or disease, or death at any time to any persons including without limitation employees of Contractor;
- J. Damage or injury to real property or personal property, equipment and materials (including, but without limitation, property under the care and custody of the Contractor or the City) sustained by any person or persons (including, but not limited to, companies, corporations, utility company or property owner, Contractor and its employees or agents, and members of the general public);
- K. Any liability imposed by Applicable Law including, but not limited to criminal or civil fines or penalties;
- L. Any dangerous, hazardous, unsafe or defective condition of, in or on the Site, of any nature whatsoever, which may exist by reason of any act, omission, neglect, or any use or occupation of the Site by Contractor, its officers, agents, employees, or Subcontractors;
- M. Any operation conducted upon or any use or occupation of the Site by Contractor, its officers, agents, employees, or Subcontractors under or pursuant to the provisions of the Contract or otherwise;
- N. Any acts, errors, omission or negligence of Contractor, its officers, agents, employees, or Subcontractors;
- O. Infringement of any patent rights, licenses, copyrights or intellectual property which may be brought against the Contractor or Owner arising out of Contractor’s Work, for which the Contractor is responsible; and
- P. Any and all claims against the City seeking compensation for labor performed or materials used or furnished to be used in the Work or alleged to have been furnished on the Project, including all incidental or consequential damages resulting to the City from such claims.

10.2. **Effect of Indemnitees’ Active Negligence.** Contractor’s obligations to indemnify and hold the Indemnitees harmless **exclude** only such portion of any Indemnity Claim which is

attributable to the active negligence or willful misconduct of the Indemnitee, provided such active negligence or willful misconduct is determined by agreement of the parties or by findings of a court of competent jurisdiction. In instances where an Indemnitee's active negligence accounts for only a percentage of the liability for the Indemnity Claim involved, the obligation of Contractor will be for that entire percentage of liability for the Indemnity Claim not attributable to the active negligence or willful misconduct of the Indemnitee(s). Such obligation shall not be construed to negate, abridge or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this Paragraph 11. Subject to the limits set forth herein, the Contractor, at its own expense, shall satisfy any resulting judgment that may be rendered against any Indemnitee resulting from an Indemnity Claim. The Indemnitees shall be consulted with regard to any proposed settlement.

10.3. Independent Defense Obligation. The duty of the Contractor to indemnify and hold harmless the Indemnitees includes the separate and independent duty to defend the Indemnitees, which duty arises immediately upon receipt by Contractor of the tender of any Indemnity Claim from an Indemnitee. The Contractor's obligation to defend the Indemnitee(s) shall be at Contractor's sole expense, and not be excused because of the Contractor's inability to evaluate liability or because the Contractor evaluates liability and determines that the Contractor is not liable. This duty to defend shall apply whether or not an Indemnity Claim has merit or is meritless, or which involves claims or allegations that any or all of the Indemnitees were actively, passively, or concurrently negligent, or which otherwise asserts that the Indemnitees are responsible, in whole or in part, for any Indemnity Claim. The Contractor shall respond within thirty (30) Calendar Days to the tender of any Indemnity Claim for defense and/or indemnity by an Indemnitee, unless the Indemnitee agrees in writing to an extension of this time. The defense provided to the Indemnitees by Contractor shall be by well qualified, adequately insured and experienced legal counsel acceptable to the City.

10.4. Intent of Parties Regarding Scope of Indemnity. It is the intent of the parties that the Contractor and its Subcontractors of all tiers shall provide the Indemnitees with the broadest defense and indemnity permitted by Applicable Law. In the event that any of the defense, indemnity or hold harmless provisions in the Contract Documents are found to be ambiguous, or in conflict with one another, it is the parties' intent that the broadest and most expansive interpretation in favor of providing defense and/or indemnity to the Indemnitees be given effect.

10.5. Waiver of Indemnity Rights Against Indemnitees. With respect to third party claims against the Contractor, to the fullest extent permitted by law, the Contractor waives any and all rights to any type of express or implied indemnity against the Indemnitees.

10.6. Subcontractor Requirements. In addition to the requirements set forth hereinabove, Contractor shall ensure, by written subcontract agreement, that each of Contractor's Subcontractors of every tier shall protect, defend, indemnify and hold harmless the Indemnitees with respect to Indemnity Claims arising out of, in connection with, or in any way related to each such Subcontractors' Work on the Project in the same manner in which Contractor is required to protect, defend, indemnify and hold the Indemnitees harmless. In the event Contractor fails to obtain such defense and indemnity obligations from others as required herein, Contractor agrees to be fully responsible to the Indemnitees according to the terms of this Paragraph 11.

10.7. No Limitation or Waiver of Rights. Contractor's obligations under this Paragraph 11 are in addition to any other rights or remedies which the Indemnitees may have under the law or under the Contract Documents. Contractor's indemnification and defense obligations set forth in this Paragraph 11 are separate and independent from the insurance provisions set forth in the Contract Documents, and do not limit, in any way, the applicability, scope, or obligations set forth in

such insurance provisions. The purchase of insurance by the Contractor with respect to the obligations required herein shall in no event be construed as fulfillment or discharge of such obligations. In any and all claims against the Indemnitees by any employee of the Contractor, any Subcontractor, any supplier of the Contractor or Subcontractors, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the obligations under this Paragraph 11 shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Contractor or any Subcontractor or any supplier of either of them, under workers' or workmen's compensation acts, disability benefit acts or other employee benefit acts. Failure of the City to monitor compliance with these requirements imposes no additional obligations on the City and will in no way act as a waiver of any rights hereunder.

10.8. **Withholding to Secure Obligations.** In the event an Indemnity Claim arises prior to final payment to Contractor, the City may, in its sole discretion, reserve, retain or apply any monies due Contractor for the purpose of resolving such Indemnity Claims; provided, however, the City may release such funds if the Contractor provides the City with reasonable assurances of protection of the Indemnitees' interests. The City shall, in its sole discretion, determine whether such assurances are reasonable.

10.9. **Survival of Indemnity Obligations.** Contractor's obligations under this Paragraph 11 are binding on Contractor's and its Subcontractors' successors, heirs and assigns and shall survive the completion of the Work or termination of the Contractor's performance of the Work.

11. **SUCCESSORS AND ASSIGNS.** The Parties bind themselves, their heirs, executors, administrators, successors and assigns the covenants, agreements and obligations contained in the Contract Documents. The Contractor shall not, either voluntarily or by action of law, assign any right or obligation of the Contractor under the Contract Documents without prior written consent of the City.

(SIGNATURE PAGE FOLLOWS)

CITY OF MORENO VALLEY, Municipal Corporation

Hillcrest Contracting, Inc.

BY: _____
City Manager

License No./
Classification: _____

DATE: _____

Expiration Date: _____

Federal I.D. No.: _____

<u>INTERNAL USE ONLY</u>
APPROVED AS TO LEGAL FORM:

City Attorney

Date
RECOMMENDED FOR APPROVAL:

Public Works Director/City Engineer <i>(if contract exceeds \$15,000)</i>

Date

PRINT NAME: _____

SIGNATURE: _____

TITLE: _____

DATE: _____

PRINT NAME: _____

SIGNATURE: _____

TITLE: _____

DATE: _____

SIGNING INSTRUCTIONS TO THE CONTRACTOR:

Signature(s) must be accompanied by a completed notary certificate of acknowledgement attached hereto. A general partner must sign on behalf of a partnership. **Two (2)** corporate officers must sign on behalf of a corporation unless the corporation has a corporate resolution that allows one person to sign on behalf of the corporation; if applicable, said resolution must be attached hereto. The corporate seal may be affixed hereto.

CALIFORNIA ALL-PURPOSE
CERTIFICATE OF ACKNOWLEDGMENT

SAMPLE

State of California

County of _____

On _____ before me, _____,
(Here insert name and title of the officer)

personally appeared _____,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledgement to me that he/she they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

(Notary Seal)

ADDITIONAL OPTIONAL INFORMATION

INSTRUCTIONS FOR COMPLETING THIS FORM

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DESCRIPTION OF THE ATTACHED DOCUMENT

AGREEMENT SIGNATURE PAGE
(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages _____

Document Date _____

Additional Information

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 - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document.

CAPACITY CLAIMED BY THE SIGNER

- Individual(s)
- Corporate Officer

(Title)

- Partner (s)
- Attorney-in-Fact
- Other _____

CONTRACTOR'S BONDS

PREMIUM \$ _____

**FAITHFUL PERFORMANCE BOND
(100% of Total Contract Price)**

PROJECT NO. 801 0027 70 77

**HEACOCK STREET IMPROVEMENTS
Heacock Street Widening/San Michele to Perris Valley Storm Drain Lateral A**

KNOW ALL MEN AND WOMEN BY THESE PRESENTS:

THAT WHEREAS, the City Council of the City of Moreno Valley, State of California, known as "City," has awarded to Hillcrest Contracting, Inc., as Principal hereinafter designated as "Contractor" and have entered into an Agreement whereby the Contractor agrees to construct or install and complete certain designated public improvements, which said Agreement, effective on the date signed by the City of Moreno Valley, and identified as **Project No. 801 0027 70 77**, and all Contract Documents are hereby referred to and made a part hereof; and

WHEREAS, said Contractor under the terms of said Contract Documents is required to furnish a bond guaranteeing the faithful performance of said Agreement;

NOW THEREFORE, we the undersigned Contractor and _____, as Surety, are held and firmly bound unto the City of Moreno Valley, County of Riverside in the penal sum of _____ dollars, (\$ _____), lawful money of the United States, to be paid to the said City or its certain attorney, its successors and assigns; for which payment, well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally liable (CCP 995.320 (a)(1)), firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above bound Contractor, his or her or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in said Contract Documents and any alterations thereof made as therein provided, on his or her or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the City of Moreno Valley, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect. In the event suit is brought upon this bond by the City and judgement is recovered, the Surety shall pay all costs incurred by the City in such suit, including a reasonable attorney fee to be fixed by the court.

Contractor and Surety agree that this Faithful Performance Bond shall not be considered a part of the Agreement between Contractor and the City ("Agreement"). Contractor and Surety further agree that this Faithful Performance Bond is a separate obligation of the Contractor and its Surety, and that any attorneys' fee provision contained in this Faithful Performance Bond shall not apply to the Agreement. In the event there is any litigation between the parties arising from the breach of the Agreement, each party will bear its own attorneys' fees in the litigation.

The Surety hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the Contract Documents or to the Work to be performed thereunder, or the Provisions accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract Documents or to the Work or the Provisions.

(SIGNATURE PAGE FOLLOWS)

BOND NO. _____

IN WITNESS WHEREOF, we have hereunto set our hands, and seals on this _____ day
of _____ 20____.

CONTRACTOR (Principal)

SURETY

Contractor Name: _____

Name: _____

Address: _____

Address: _____

Telephone No.: _____

Telephone No.: _____

Print Name: _____

Print Name: _____

Attorney-in-Fact

Signature: _____

Signature: _____

Approved as to Form this

_____ day of _____ 20____

City Attorney
City of Moreno Valley

NOTE:

- The bond shall be executed by a California admitted surety insurer (CCP 995.311).
- The bond shall include an attached Notary Certificate for the Attorney-in-Fact.
- The bond shall include an attached Notary Certificate for the Bidder.
- The bond shall include an attached original Power of Attorney only authorizing the Attorney-in-Fact to act for the Surety.
- The bond shall include the address at which the Principal (Bidder) and Surety may be served with notices, papers and other documents.
- The Bidder's and Surety's corporate seal may be affixed hereto.

**CALIFORNIA ALL-PURPOSE
CERTIFICATE OF ACKNOWLEDGMENT**

SAMPLE

State of California
County of _____

On _____ before me, _____,
(Here insert name and title of the officer)

personally appeared _____,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledgement to me that he/she they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

(Notary Seal)

**ADDITIONAL OPTIONAL INFORMATION
INSTRUCTIONS FOR COMPLETING THIS FORM**

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DESCRIPTION OF THE ATTACHED DOCUMENT

FAITHFUL PERFORMANCE BOND SIGNATURE PAGE
(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages _____

Document Date _____

Additional Information

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 - ∨ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document.

CAPACITY CLAIMED BY THE SIGNER

- Individual(s)
- Corporate Officer

(Title)

- Partner (s)
- Attorney-in-Fact
- Other _____

BOND NO. _____

PREMIUM \$ _____

**LABOR AND MATERIALS PAYMENT BOND
(100% of Total Contract Amount)**

PROJECT NO. 801 0027 70 77

**HEACOCK STREET IMPROVEMENTS
Heacock Street Widening/San Michele to Perris Valley Storm Drain Lateral A**

KNOW ALL MEN AND WOMEN BY THESE PRESENTS

THAT WHEREAS, the City Council of the City of Moreno Valley, State of California, known as "City", has awarded to **Hillcrest Contracting, Inc.**, as Principal hereinafter designated as "Contractor" and have entered into an Agreement whereby the Contractor agrees to construct or install and complete certain designated public improvements, which said Agreement, effective on the date signed by the City of Moreno Valley, and identified as **Project No. 801 0027 70 77**, and Contract Documents are hereby referred to and made a part hereof; and

WHEREAS, said Contractor under the terms of said Contract Documents is required to furnish a bond to secure the payment of claims of laborers, mechanics, materialmen, and other persons, as provided by law;

NOW, THEREFORE, we the undersigned Contractor and _____, as Surety are held and firmly bound unto the City of Moreno Valley, County of Riverside, in the penal sum of _____ dollars, (\$ _____), lawful money of the United States, for which payment, well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally liable (CCP 995.320 (a)(1)), firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that if said Contractor, his or her or its heirs, executors, administrator, successors or assigns, or subcontractors, shall fail to pay any of the persons described in the State of California Civil Code, Section 3181, or amounts due under the Unemployment Insurance Code with respect to work or labor performed by any such claimant, or any amounts required to be deducted, withheld, and paid over to the Franchise Tax Board from the wages of employees of the Contractor and his or her subcontractors, pursuant to Section 13020, of the Unemployment Insurance Code, with respect to such work and labor, that the Surety or Sureties herein will pay for the same in an amount not exceeding the sum specified in this bond, otherwise the above obligation shall be void. In the event suit is brought upon this bond by the City or other person entitled to bring such an action and judgment is recovered, the Surety shall pay all costs incurred by the City in such suit, including a reasonable attorney fee to be fixed by the court.

Contractor and Surety agree that this Labor and Materials Payment Bond shall not be considered a part of the Agreement between Contractor and the City ("Agreement"). Contractor and Surety further agree that this Labor and Materials Payment Bond is a separate obligation of the Contractor and its Surety, and that any attorneys' fee provision contained in this Labor and Materials Payment Bond shall not apply to the Agreement. In the event there is any litigation between the parties arising from the breach of the Agreement, each party will bear its own attorneys' fees in the litigation.

This bond shall inure to the benefit of any of the persons described in the State of California Civil Code Section 3181, to give a right of action to such persons or their assigns in any suit brought upon this bond.

(SIGNATURE PAGE FOLLOWS)

PAYMENT BOND
00602-1

BOND NO. _____

IN WITNESS WHEREOF, we have hereunto set our hands, and seals on this _____ day
of _____ 20____.

CONTRACTOR (Principal)

SURETY

Contractor Name: _____

Name: _____

Address: _____

Address: _____

Telephone No.: _____

Telephone No.: _____

Print Name: _____

Print Name: _____

Attorney-in-Fact

Signature: _____

Signature: _____

Approved as to Form this

_____ day of _____ 20____

City Attorney
City of Moreno Valley

NOTE:

- The bond shall be executed by a California admitted surety insurer (CCP 995.311).
- The bond shall include an attached Notary Certificate for the Attorney-in-Fact.
- The bond shall include an attached Notary Certificate for the Bidder.
- The bond shall include an attached original Power of Attorney only authorizing the Attorney-in-Fact to act for the Surety.
- The bond shall include the address at which the Principal (Bidder) and Surety may be served with notices, papers and other documents.
- The Bidder's and Surety's corporate seal may be affixed hereto.

**CALIFORNIA ALL-PURPOSE
CERTIFICATE OF ACKNOWLEDGMENT**

SAMPLE

State of California

County of _____

On _____ before me, _____,
(Here insert name and title of the officer)

personally appeared _____,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledgement to me that he/she they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

(Notary Seal)

DESCRIPTION OF THE ATTACHED DOCUMENT

LABOR AND MATERIALS PAYMENT BOND
SIGNATURE PAGE

(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages _____

Document Date _____

Additional Information

CAPACITY CLAIMED BY THE SIGNER

- Individual(s)
- Corporate Officer

(Title)

- Partner (s)
- Attorney-in-Fact
- Other _____

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>d</i>

Report to City Council

TO: Mayor and City Council

FROM: Abdul R. Ahmad, Fire Chief

AGENDA DATE: December 9, 2014

TITLE: ACCEPTANCE OF THE FISCAL YEAR 2014 HOMELAND SECURITY GRANT PROGRAM (HSGP) AWARD

RECOMMENDED ACTION

Recommendations:

1. Accept the Fiscal Year 2014 Homeland Security Grant Program (HSGP) award of \$31,688 from the Riverside County Fire Office of Emergency Services.
2. Increase revenue and expenditures for the Emergency Management Grant Fund 2503 by \$4,584.

SUMMARY

This report recommends acceptance of the Fiscal Year 2014 Homeland Security Grant Program (HSGP) in the amount of \$31,688. Funds will be utilized to support Community Emergency Response Team (CERT) training, equipment, and exercises.

DISCUSSION

The Fiscal Year 2014 HSGP plays an important role in the implementation of the National Preparedness System by supporting the building, sustainment, and delivery of core capabilities essential to achieving the National Preparedness Goal of a secure and resilient Nation. Delivering core capabilities requires the combined effort of the whole community, rather than the exclusive effort of any single organization or level of government. The Fiscal Year 2014 HSGP's allowable costs support these efforts and, for the City of Moreno Valley, this grant is limited to expenditures related to Community Emergency Response Team (CERT) training, equipment, and exercises.

The Riverside County Office of Emergency Services (OES), on behalf of all jurisdictions in Riverside County, applies for this federal grant on an annual basis. Riverside County OES then distributes the grant funding to eligible agencies throughout the Operational Area. The Moreno Valley Fire Department received a grant award letter in the amount of \$31,688 on October 10 from Riverside County OES. The grant will be utilized to partially fund the Office of Emergency Management Program Specialist salary and benefits for Fiscal Year 2014/2015 and Fiscal Year 2015/2016. This position will directly assist in teaching CERT classes to the community.

ALTERNATIVES

1. Approve and authorize the recommended action as presented in this staff report. *This alternative will allow the City to receive Fiscal Year 2014 Homeland Security Grant funding which will allow the Office of Emergency Management to better prepare the citizens of Moreno Valley for a natural or man-made disaster.*
2. Do not approve and authorize the recommended action as presented in this staff report. *This alternative will prohibit the City from receiving Fiscal Year 2014 Homeland Security Grant funding which will hinder the ability of the citizens of Moreno Valley to be prepared to survive a natural or man-made disaster.*

FISCAL IMPACT

The Fiscal Year 2014 HSGP will reimburse the City 100% of expenditures related to the Community Emergency Response Team (CERT) program up to \$31,688 which includes the salary and benefits of the Office of Emergency Management Program Specialist. Through the budget process for Fiscal Year 2014/2015, City Council adopted a revenue and expenditure budget for this grant of \$27,104. The budget needs to be increased for both revenue and expenditures in order to meet the total grant award amount of \$31,688.

Proposed Budget Appropriation Adjustment for Fiscal Year 2014/2015:

Cat.	Fund	Account Number	Account Type	FY 14/15 Budget	Proposed Adjustment	Revised Budget
G/L	EMPG – Emergency Mgmt Grant	2503-40-47-74106-485000	Revenue	\$27,104	\$4,584	\$31,688
G/L	EMPG – Emergency Mgmt Grant	2503-40-47-74106- Personnel	Expense	\$27,104	\$4,584	\$31,688

CITY COUNCIL GOALS

Revenue Diversification and Preservation. Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

Public Safety. Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

NOTIFICATION

N/A

ATTACHMENTS

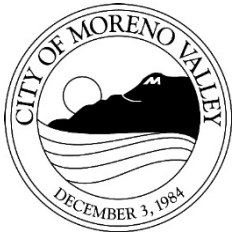
N/A

Prepared By:
Cynthia Owens
Management Analyst

Department Head Approval:
Abdul R. Ahmad
Fire Chief

Concurred By:
Alia Rodriguez
Office of Emergency Management Program Manager

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>R</i>
CITY MANAGER	<i>d</i>

Report to City Council

TO: Mayor and City Council; and Mayor and City Council Acting in their capacity as the City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley

FROM: Ahmad R. Ansari, P.E., Public Works Director/City Engineer

AGENDA DATE: December 9, 2014

TITLE: AMENDMENT NO. 2 - COOPERATION AGREEMENT BETWEEN THE RIVERSIDE COUNTY FLOOD CONTROL & WATER CONSERVATION DISTRICT, THE CITY OF MORENO VALLEY AND CITY AS SUCCESSOR AGENCY FOR THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY

RECOMMENDED ACTION

Recommendation:

1. Approve Amendment No. 2 for the Cooperation Agreement between the Riverside County Flood Control and Water Conservation District ("District"), the City of Moreno Valley ("City") and City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley ("Agency"), and authorize the Mayor acting in both capacities, to execute Amendment No. 2.

SUMMARY

Staff recommends approval of Amendment No. 2 to the existing Cooperation Agreement between The Riverside County Flood Control and Water Conservation District ("District"), the City of Moreno Valley ("City"), and City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley ("Agency") for the funding and construction of master-planned flood control improvements. The Cooperation Agreement includes a list of possible flood control projects within the City, and allows the list to be amended as needed, with mutual consent of the City, the District and the Agency.

DISCUSSION

On April 12, 1988, the Riverside County Flood Control and Water Conservation District, the City and the Redevelopment Agency (prior to dissolution), entered into a Cooperation Agreement to establish a mutual understanding regarding redevelopment area related improvement projects for flood control. The Cooperation Agreement established a mechanism for the collection of drainage tax increment fees by the District and the distribution of the fees for potential flood control improvement projects within the District's approved MDP and the redevelopment project areas. The agreement designated the City to utilize the collected fees for the construction of these drainage facilities. Exhibit A of the Cooperation Agreement included a list of drainage facilities to build which were agreed upon and stated that the list of potential flood control improvement projects may, from time to time, be amended with the mutual consent of all parties. The listing of projects doesn't obligate the City to construct all or any of the potential projects, but merely identifies Master Drainage Plan approved facilities that the District agrees may be funded with the tax increment.

On May 24 2011, the City processed Amendment No. 1 to the agreement which added two new locations to the project list in Exhibit A to support the cost of the drainage improvement portion of ongoing street improvement projects at that time. MDP Line I and J were subsequently funded and constructed.

Since there is at least \$400,000 available under this Cooperation Agreement, District and City staff recommend amending the existing list of potential flood control facilities in Exhibit A again. Funds are needed to pursue priority improvement projects at several locations. Amendment No. 2 updates the existing list to include the extension of Sunnymead Master Drainage Plan (MDP) Line B, the storm drain system adjacent to Heacock Street, between Cactus Avenue and Lateral A (Heacock Bridge); Perris Valley MDP Lateral B-1, the uncompleted system on Perris Blvd and San Michele Road; and Moreno MDP Line K-1, located in the San Timoteo Foothill neighborhood. Additionally, adding these locations to the list will assist with flood control management in the community. These projects are approved facilities in Riverside County Flood Control's Master Drainage Plan and the funds can only be used for those facilities within the list of the approved Cooperation Agreement.

ABx 126 (the "Dissolution Act") provides for an Oversight Board to be duly constituted to review and approve the activities of the Successor Agency and ensure the former RDA's assets are distributed to the taxing entities. Amendment No. 2 will be presented to the Oversight Board for review on January 14, 2015.

ALTERNATIVES

1. Approve and authorize the recommended actions as presented in this staff report. *This alternative will allow for the funding and construction of needed master-planned flood control improvements.*

2. Do not approve and authorize the recommended actions as presented in this staff report. *This alternative will result in the lack of adequate funding of needed flood control improvements and hinder the timing of pursuing important capital improvement projects.*

FISCAL IMPACT

The available trust account funding for the flood control improvement projects is estimated at four hundred thousand dollars (\$400,000). These funds can only be used for Master Drainage Plan storm drain improvements identified in Exhibit A of the Cooperation Agreement. By amending the Cooperation Agreement the City is afforded the opportunity to use these funds to construct much needed storm drain facilities in the City. **There is no impact to the General Fund.**

CITY COUNCIL GOALS

Public Safety.

Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

Public Facilities and Capital Projects.

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

Positive Environment:

Create a positive environment for the development of Moreno Valley's future.

ATTACHMENTS

- Attachment 1: Amendment No. 2 to the Cooperation Agreement Between The Riverside County Flood Control & Water Conservation District, the City of Moreno Valley, and City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley
- Attachment 2: Amendment No.1 - Cooperation Agreement Between The Riverside County Flood Control & Water Conservation District, The City of Moreno Valley and The Redevelopment Agency of the City of Moreno Valley
- Attachment 3: Cooperation Agreement Between The Riverside County Flood Control and Water Conservation District, the City of Moreno Valley and the Redevelopment Agency for the City of Moreno Valley

Prepared By:
Clement Jimenez, P.E.
Senior Engineer

Department Head Approval
Ahmad R. Ansari, P.E.
Public Works Director/City Engineer

Concurred By:
Prem Kumar, P.E.
Deputy Public Works Director/Assistant City Engineer

Concurred By:
Marshall Eyerman
Financial Resources Division Manager

**AMENDMENT NO. 2
COOPERATION AGREEMENT
BETWEEN THE RIVERSIDE COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT,
THE CITY OF MORENO VALLEY AND
CITY AS SUCCESSOR AGENCY FOR THE COMMUNITY REDEVELOPMENT
AGENCY OF THE CITY OF MORENO VALLEY**

The RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, hereinafter called "DISTRICT", the CITY OF MORENO VALLEY, hereinafter called "CITY" and the CITY serving as the SUCCESSOR AGENCY for the COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY, hereinafter called "AGENCY", previously entered into that certain Cooperation Agreement, dated April 12, 1988, hereinafter called "AGREEMENT"; and

WHEREAS, the CITY and the AGENCY desire to add additional flood control drainage facilities; and

WHEREAS, the DISTRICT agrees to add said flood control drainage facilities, provided that these facilities are Master Drainage Plan approved facilities; and

WHEREAS, Section 3 of the AGREEMENT stipulates that the listing of Project Improvements on Exhibit A may be amended with the mutual consent of the CITY, the AGENCY and DISTRICT.

NOW, THEREFORE, in consideration of the foregoing facts, the DISTRICT, the CITY and the AGENCY agree to amend the AGREEMENT as follows:

Exhibit A of the AGREEMENT is deleted and replaced with a new Exhibit A, attached hereto and made a part hereof.

Except as specifically modified herein, all other provisions of said AGREEMENT shall remain in full force and effect between the Parties hereto.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment on

(to be filled in by Clerk of the Board)

RECOMMENDED FOR APPROVAL:

RIVERSIDE COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT

By _____
WARREN D. WILLIAMS
General Manager-Chief Engineer

By _____
MARION ASHLEY, Chairman
Riverside County Flood Control and Water
Conservation District Board of Supervisors

APPROVED AS TO FORM:

ATTEST:

PAMELA J. WALLS
County Counsel

KECIA HARPER-IHEM
Clerk of the Board

By _____
NEAL KIPNIS
Deputy County Counsel

By _____
Deputy

(SEAL)

Amendment No. 2
Cooperation Agreement
10/01/14
TT

Attachment A

CITY OF MORENO VALLEY, a municipal Corporation

CITY
serving as the SUCCESSOR AGENCY for the
COMMUNITY REDEVELOPMENT
AGENCY OF THE CITY OF MORENO
VALLEY

By _____
JESSE L. MOLINA
Mayor

By _____
JESSE L. MOLINA
Mayor

ATTEST:

JANE HALSTEAD
City Clerk

RECOMMENDED FOR APPROVAL:

AHMAD R. ANSARI
Public Works Director/City Engineer

APPROVED AS TO FORM:

SUZANNE BRYANT
City Attorney

Amendment No. 2
Cooperation Agreement
10/01/14
TT

Attachment A

Exhibit A (Page 1 of 1)

MORENO VALLEY REDEVELOPMENT PROJECT

PROJECT IMPROVEMENTS

Master Drainage Plan	Facility	Station Limits	Eligible for Financing
Sunnymead	Line A-1		
	Line B	105+00 – 131+70	No
	Line B	5+00 – 105+00	
	Line B-5	19+90 – 22+80 & 0+00 – 12+50	Yes
	Line B-6	9+40 – 17+60	Yes
	Line B-7	0+00 – 25+90	No
	Line B-8, Stg I & B-10	0+00 – 10+00 & 0+00 – 13+20	Yes
	Line B-8, Stg II	10+60 – 44+00	
	Line B-9	0+00 – 10+00	Yes
	Line B-11	0+00 – 10+00	Yes
	Line B-12	0+00 – 13+80	No
	Line F (D/S of Hemlock)	119+00 – 125+00	No
	Line F-1	0+00 – 20+30	No
	Line G	0+00 – 10+60	No
	Line H (D/S of Hwy 60)	0+00 – 4+00	Yes
	Line H (Hwy 60 U/S to basin)		No
	Line H (U/S of basin)		No
	Line H-1 (in Indian)		No
	Line H-1 (to basin)		No
	Indian St. Basin (Master Plan)		
	Line H-4		No
	Line H-5 (D/S of Ironwood)		No
	Line H-12	0+00 – 13+00	Yes
	Line M-4	41+30 – 74+00	No
	Line M-5	0+00 – 11+40	No
	Line P-1	0+00 – 14+10	No
	Line P-2	0+00 – 48+90	No
Line P-4	0+00 – 2+00	No	
Line P-5	0+00 – 2+00	No	
Line P-6	0+00 – 13+10	No	
Line P-7	0+00 – 4+30	No	
Line T	0+00 – 25+40	No	
Moreno	Line G		No
	Line I		
	Line J		
	Line K-1		
Perris Valley	Lateral B-1		

Amendment No. 2
Cooperation Agreement
10/01/14
TT

AMENDMENT NO. 1

COOPERATION AGREEMENT
BETWEEN THE RIVERSIDE COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT,
THE CITY OF MORENO VALLEY

AND
THE REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY

The RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, hereinafter called "DISTRICT", the CITY OF MORENO VALLEY, hereinafter called "CITY", and the REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY, hereinafter called "AGENCY", previously entered into that certain Cooperation Agreement, dated April 12, 1988, hereinafter called "AGREEMENT"; and

WHEREAS, the CITY and the AGENCY desire to add two (2) additional flood control drainage facilities; and

WHEREAS, the DISTRICT agrees to add said flood control drainage facilities, provided that these facilities are Master Drainage Plan approved facilities; and

WHEREAS, Section 3 of the AGREEMENT stipulates that the listing of Project Improvements on Exhibit A may be amended with the mutual consent of the AGENCY and DISTRICT.

NOW, THEREFORE, in consideration of the foregoing facts, the DISTRICT, the CITY and the AGENCY agree to amend the AGREEMENT as follows:

Exhibit A of the AGREEMENT is deleted and replaced with a new Exhibit A, attached hereto and made a part hereof.

Except as specifically modified herein, all other provisions of said AGREEMENT shall remain in full force and effect between the Parties hereto.

//


IN WITNESS WHEREOF, the Parties hereto have executed this Amendment on

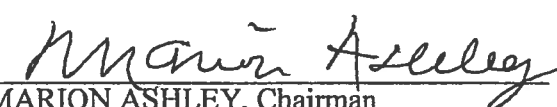
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JUN 14 2011

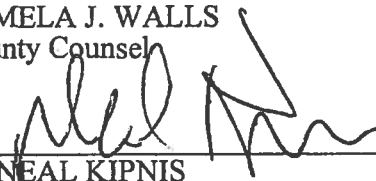
(to be filled in by Clerk of the Board)

RECOMMENDED FOR APPROVAL: RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

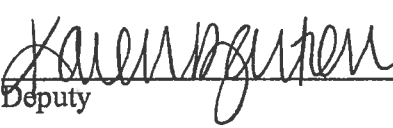
By 
WARREN D. WILLIAMS
General Manager-Chief Engineer

By 
MARION ASHLEY, Chairman
Riverside County Flood Control and Water Conservation District Board of Supervisors

APPROVED AS TO FORM:

PAMELA J. WALLS
County Counsel
By 
NEAL KIPNIS
Deputy County Counsel

ATTEST:

KECIA HARPER-IHEM
Clerk of the Board
By 
Deputy

(SEAL)

Amendment No. 1
Cooperation Agreement
5/16/11
TT:blj

JUN 14 2011 11.5

CITY OF MORENO VALLEY, a municipal corporation

By: Richard A. Santan
Its: Mayor

ATTEST:

Jane Halshel
City Clerk

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY, a public body corporate and politic

By: Richard A. Santan
Chairman

"AGENCY"

RECOMMENDED FOR APPROVAL:

W. A. G.
Public Works Director/City Engineer

ATTEST:

Jane Halshel
Agency Secretary

Amendment No. 1
Cooperation Agreement
5/16/11
TT:blj

Exhibit A (Page 1 of 1)

MORENO VALLEY REDEVELOPMENT PROJECT

PROJECT IMPROVEMENTS

Master Drainage Plan	Facility	Station Limits	Eligible for Financing
Sunnymead	Line B	105+00 – 131+70	No
	Line B-5	19+90 – 22+80 & 0+00 – 12+50	Yes
	Line B-6	9+40 – 17+60	Yes
	Line B-7	0+00 – 25+90	No
	Line B-8, Stg I & B-10	0+00 – 10+00 & 0+00 – 13+20	Yes
	Line B-8, Stg II	10+60 – 44+00	
	Line B-9	0+00 – 10+00	Yes
	Line B-11	0+00 – 10+00	Yes
	Line B-12	0+00 – 13+80	No
	Line F (D/S of Hemlock)	119+00 – 125+00	No
	Line F-1	0+00 – 20+30	No
	Line G	0+00 – 10+60	No
	Line H (D/S of Hwy 60)	0+00 – 4+00	Yes
	Line H (Hwy 60 U/S to basin)		No
	Line H (U/S of basin)		No
	Line H-1 (in Indian)		No
	Line H-1 (to basin)		No
	Indian St. Basin (Master Plan)		
	Line H-4		No
	Line H-5 (D/S of Ironwood)		No
	Line H-12	0+00 – 13+00	Yes
	Line M-4	41+30 – 74+00	No
	Line M-5	0+00 – 11+40	No
	Line P-1	0+00 – 14+10	No
	Line P-2	0+00 – 48+90	No
	Line P-4	0+00 – 2+00	No
	Line P-5	0+00 – 2+00	No
Line P-6	0+00 – 13+10	No	
Line P-7	0+00 – 4+30	No	
Line T	0+00 – 25+40	No	
Moreno	Line G	106+80 – 127+80	No
	Line I		
	Line J		

Amendment No. 1
 Cooperation Agreement
 5/09/11
 TT

COOPERATION AGREEMENT
BETWEEN THE RIVERSIDE COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT,
THE CITY OF MORENO VALLEY

AND
THE REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY

THIS AGREEMENT is entered into on the APR 12 1988 day of _____, 1988, by and between the RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, a public agency ("District"), and the REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY, a public body ("Agency"), and THE CITY OF MORENO VALLEY, a municipal corporation ("City").

WHEREAS, City and Agency have adopted the Redevelopment Plan for the Moreno Valley Redevelopment Project ("Project") pursuant to the California Community Redevelopment Law (Health and Safety Code Section 33000, et seq.);

WHEREAS, District is an affected taxing entity which has general purpose and special bonded indebtedness ad valorem property taxes levied on its behalf by Riverside County's Assessor on all of the property located in the proposed project area in Fiscal Year 1987-88;

WHEREAS, District has submitted to the Agency objections regarding the detrimental financial impact the Project will have on the District;

WHEREAS, City and Agency have found and determined that there is substantial evidence to support their finding of detrimental financial impact for the District and it would be appropriate to alleviate any financial burden or detriment caused to District by the Project by authorizing payment to District of certain monies;

1 WHEREAS, Agency and City desire to resolve and settle once
2 and for all times, all present, past and future controversies,
3 claims, causes of action or purported causes of action, differen-
4 ces or disputes, both real and potential, arising against Agency
5 and City in relation to the Project and the Plan; and

6 WHEREAS, District, City and Agency, in consideration of the
7 mutual undertaking, desire to settle their differences and
8 cooperatively provide for the redevelopment of certain areas of
9 the City. This Agreement is a compromise and settlement of
10 claims and liabilities alleged by District in relationship to the
11 Project.

12 NOW, THEREFORE, in consideration of the foregoing and the
13 mutual promises and covenants contained herein, the parties here-
14 to agree as follows:

15 Section 1. Definitions

16 (a) "District" shall mean the Riverside County Flood Control
17 and Water Conservation District, a political subdivision of the
18 State of California.

19 (b) "City" shall mean the City of Moreno Valley, a municipal
20 corporation.

21 (c) "Agency" shall mean the Redevelopment Agency of the City
22 of Moreno Valley.

23 (d) "Project" and "Project Area" shall mean the specific
24 geographical areas and redevelopment activities as set forth in
25 the Redevelopment Plan for the Moreno Valley Redevelopment
26 Project.

27
28

1 (e) "Project Improvements" shall mean the specific flood
2 control improvements as set forth in Exhibit A which is attached
3 hereto and by this reference is incorporated herein.

4 Such improvements are, and must be, part of an approved
5 Master Drainage Plan. Project improvements for the purposes of
6 this Agreement shall not include those facilities not normally
7 funded by the District, namely developer convenience drains,
8 bridges and box culverts or pipes serving as bridges at street
9 crossings.

10 (f) "Project Costs" shall mean those costs paid by the Agen-
11 cy commencing with the date of this Agreement, for the construc-
12 tion of the Project Improvements, and shall be limited to the
13 direct costs to design, acquire right-of-way and construct the
14 Project Improvements. Project Costs for those Project Improve-
15 ments identified on Exhibit A as "Eligible for Financing" will
16 also include the prorata share of the financing costs associated
17 with such Project Improvements, including but not limited to,
18 interest, cost of issuance, refunding, refinancing, etc.

19 (g) "Tax Increment" shall mean that portion of property tax-
20 es resulting from the increase in assessed evaluation in the
21 Project Area over the base year assessed evaluations in the Proj-
22 ect Area, as defined in Section 33670 of the Health and Safety
23 Code. "Tax Increment" shall refer to those taxes raised as a
24 result of the 1% levy allowed under ARTICLE XIII A of the Con-
25 stitution of the State of California. "Tax Increment" as re-
26 ferred to in this Agreement, shall not include those taxes levied
27 in excess of the 1% general levy.

28

1 (h) "District Share" shall mean that portion of "Tax Incre-
2 ment" that, had there not been a redevelopment project adopted,
3 would be allocated and paid to District for the benefit of Dis-
4 trict's General Fund and the General Fund of Zone 4 of the Dis-
5 trict as computed by the County Auditor-Controller in accordance
6 with the applicable provisions of the Revenue and Taxation Code
7 of the State of California.

8 Section 2. Distribution of Tax Increment

9 (a) Commencing with Fiscal Year 1988-89 the County
10 Auditor-Controller shall allocate one hundred percent (100%) of
11 District Share to Agency. Such allocation shall remain in effect
12 until the total annual Tax Increment is 12 million dollars, at
13 which time the County Auditor-Controller shall pay to the
14 District, fifty percent (50%) of District Share, which is to be
15 utilized for operation and maintenance.

16 (b) Commencing with the Fiscal Year in which the District is
17 paid 50% of District Share in accordance with Section 2(a) above,
18 the Agency must annually demonstrate to the satisfaction of the
19 District on a project by project basis, that the cumulative
20 Project Costs paid by the Agency for the Project Improvements,
21 exceeds the cumulative total of District Share received by the
22 Agency, through the date of calculation. To the extent that the
23 cumulative Project Costs paid by Agency exceed the cumulative
24 total of District Share received by Agency, the District will
25 cause the Auditor-Controller to pay to Agency from the remaining
26 fifty percent (50%) of District Share, that sum needed to cause
27 the two amounts to be equal. Any portion of the remaining fifty
28 percent (50%) of District Share in excess of this amount, will be

1 paid to District by the Auditor-Controller.

2 (c) Nothing in this Agreement shall prohibit the District
3 from expending funds on the Project Improvements. Such
4 expenditures, however, shall not be considered Project Costs.

5 (d) It is the intent of the parties to this Agreement, that
6 over the effective life of the Redevelopment Plan, that the
7 cumulative total of District Share paid to Agency shall not
8 exceed the cumulative total of Project Costs expended by Agency
9 for the Project Improvements. It is their further intent that
10 financing costs associated with the Project Improvements be kept
11 to the lowest level possible.

12 Section 3. Project Improvements

13 In addition to the limitations set forth in Section 1(e), and
14 the listing of Project Improvements on Exhibit A, it is under-
15 stood that the Agency is not obligated to construct all listed
16 facilities, but such list merely identifies those Master Drainage
17 Plan approved facilities that the District agrees may be funded
18 with District Share. It should be further noted that such list-
19 ing may, from time to time, be amended with the mutual consent of
20 the Agency and District.

21 The District shall supervise and approve the design and con-
22 struction of the Project Improvements and, upon completion of
23 said Project Improvements, shall assume responsibility for their
24 maintenance.

25 Section 4. Section 63676 Resolution

26 Within 60 days of the executing this Agreement, District will
27 repeal the resolution that it has adopted pursuant to Section

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1 63676 of the Health and Safety Code regarding the Plan and the
2 Project.

3 Section 5. Modification and Termination

4 If, after this Agreement is executed, State enacts laws or
5 policies in conflict with all or any portion of this Agreement,
6 Agency and District may mutually agree to excuse performance of
7 all or any portion of this Agreement by Agency or District. In
8 the event any section or portion of this Agreement shall be held,
9 found or determined to be unenforceable or invalid for any reason
10 whatsoever, the remaining provisions shall remain in effect, and
11 the parties thereto shall take further actions as may be reason-
12 ably necessary and available to them to effectuate the intent of
13 the parties as to all provisions set forth in this Agreement.

14 Section 6. Effective Date and Term

15 This Agreement shall become effective upon the date of execu-
16 tion of this Agreement and shall remain in effect during the term
17 of the Redevelopment Plan.

18 Section 7. Entire Agreement

19 This Agreement constitutes the entire, complete and final
20 expression of agreements between the parties.

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1 IN WITNESS WHEREOF, the parties have executed this Agreement
2 on the day and year first written above.

3
4 DATED: May 6, 1988

CITY OF MORENO VALLEY
By Raymond [Signature]
Mayor

6 ATTEST:
7 By Talvie A. Burrows
8 City Clerk

9
10 DATED: May 6, 1988

REDEVELOPMENT AGENCY OF THE
CITY OF MORENO VALLEY
By Raymond [Signature]
Chairman

12 ATTEST:
13 By Talvie A. Burrows
Secretary

14 RECOMMENDED FOR APPROVAL:
15 Robert A. Nelson
16 KENNETH L. EDWARDS
Chief Engineer

RIVERSIDE COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT
By Kay [Signature]
Vice-Chairman, Board of Supervisors

17 DATED: 4/6/88

19 ATTEST:
20 GERALD A. MALONEY, Clerk
21 By Amy [Signature]
Deputy

FORM APPROVED
COUNTY COUNSEL
APR 1 1988
By Timothy [Signature]

22 AGRMT305.MASTER

25 APPROVED AS TO FORM:
26 DATE 5/1/88
27 BY: [Signature]
CITY ATTORNEY
CITY OF MORENO VALLEY

MORENO VALLEY REDEVELOPMENT PROJECT

PROJECT IMPROVEMENTS

Sunnymead Master Drainage Plan

<u>Facility</u>	<u>Station Limits</u>	<u>Eligible for Financing</u>
Line B	105+00 - 131+70	No
Line B-5	19+90 - 22+80	Yes
	& 0+00 - 12+50	
Line B-6	9+40 - 17+60	Yes
Line B-7	0+00 - 25+90	No
Line B-8, Stg I & B-10	0+00 - 10+00	Yes
	& 0+00 - 13+20	
Line B-8, Stg II	10+60 - 44+00	
Line B-9	0+00 - 10+00	Yes
Line B-11	0+00 - 10+00	Yes
Line B-12	0+00 - 13+80	No
Line F (D/S of Hemlock)	119+00 - 125+00	No
Line F-1	0+00 - 20+30	No
Line G	0+00 - 10+60	No
Line H (D/S of Hwy 60)	0+00 - 4+00	Yes
Line H (Hwy 60 U/S to basin)		No
Line H (U/S of basin)		No
Line H-1 (in Indian)		No
Line H-1 (to basin)		No
Indian St. Basin (Master Plan)		
Line H-4		No
Line H-5 (D/S of Ironwood)		No
Line H-12	0+00 - 13+00	Yes
Line M-4	41+30 - 74+00	No
Line M-5	0+00 - 11+40	No
Line P-1	0+00 - 14+10	No
Line P-2	0+00 - 48+90	No
Line P-4	0+00 - 2+00	No
Line P-5	0+00 - 2+00	No
Line P-6	0+00 - 13+10	No
Line P-7	0+00 - 4+30	No
Line T	0+00 - 25+40	No
Moreno Master Drainage Plan		
Line G	106+80 - 127+80	No

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>R</i>
CITY MANAGER	<i>D</i>

Report to City Council

TO: Mayor and City Council

FROM: Richard Teichert, Chief Financial Officer

AGENDA DATE: December 9, 2014

TITLE: RECEIPT OF QUARTERLY INVESTMENT REPORT – QUARTER ENDED SEPTEMBER 30, 2014

RECOMMENDED ACTION

Recommendation:

1. Receive and file the Quarterly Investment Report for quarter ended September 30, 2014, in compliance with the City's Investment Policy.

SUMMARY

The attached Quarterly Investment Report presents the City's cash and investments for the quarter that ended September 30, 2014. This report is in compliance with California Government Code Section 53646 regarding the reporting of detailed information on all securities, investments, and monies of the City, as well as the reporting of the market value of the investments held. All of the investments contained within the portfolio are in full compliance with the City's Investment Policy and Government Code Section 53601 as to the types of investments allowed. It is recommended that the City Council receive and file the attached Quarterly Investment Report.

DISCUSSION

California Government Code Sections 53601 and 53646 establish the types of investments allowed, the governing restrictions on these investments, the third-party custodian arrangement for certain investments, and the reporting practices related to the portfolio for local agencies. The City's Investment Policy, adopted on July 9, 2013 is in full compliance with the requirements of both of the above-mentioned Code Sections.

The attached Quarterly Investment Report presents the City's cash and investments for the quarter that ended September 30, 2014. This is the first quarterly report submitted for the 2014-15 fiscal year and is in compliance with California Government Code Section 53646 regarding the reporting of detailed information on all securities, investments, and monies of the City, as well as the reporting of the market value of the investments held. All of the investments contained within the portfolio are in full compliance with the City's Investment Policy and Government Code Section 53601 as to the types of investments allowed. As stated in the attached report, there is more than adequate liquidity within the portfolio for the City to meet its budgeted expenditures over the next six months.

The City has used Chandler Asset Management as its professional portfolio manager since 2010. Recently the City added another asset manager, Cutwater Asset Management, and in coming months we will be splitting the portfolio between the two asset managers. Each management firm will be assigned a different portfolio strategy designed to maximize their expertise and to reduce the risk that the firms may invest in securities in the same maturity space. These firms use an active investment management approach. Utilizing an active approach, securities purchased by Chandler on the City's behalf are not necessarily held to maturity but may be actively traded based on market conditions and the City's investment goals. The City's cash flow requirements are evaluated on an ongoing basis, with short-term needs accommodated through the City's pooled investment funds with the State Local Agency Investment Fund (LAIF). LAIF is a pool of public funds managed by the State Treasurer of California, providing 24-hour liquidity while yielding a rate of return approximately equivalent to a one-year treasury bill. With the combined use of a conservative approach to evaluating cash flow needs and LAIF liquidity, the City will not have to liquidate securities at current market rates that are intended to be held for longer-term investment. This is especially important considering that the average maturity of the general portfolio is 2.24 years.

The investments managed by Chandler Asset Management totaled \$133,855,709 at par and achieved a Yield to Maturity (YTM) for September 2014 of 1.42%. This compares to a YTM in June 2014 of 1.39% and a YTM in September 2013 of 1.32%. In addition, the City maintained \$16,590,023 in the State Local Agency Investment Fund Pool (LAIF) with a YTM of .25%.

In accordance with California Government Code Section 53646, the City is properly reporting investments of all bond proceeds and Deferred Compensation Plan funds. These funds are not managed by the City Treasurer as part of the pooled investment program and were not included in the City's investment reports prior to the current legislation. Bond proceeds are held and invested by a Trustee; Deferred Compensation Plan funds are held and invested by the respective plan administrators with the funds also placed in a trust separate from City funds.

FISCAL IMPACT

Current market rates continue to hover near all-time lows. We had expected rates to begin showing signs of sustainable upward movement by now and while we have seen some movement in the two and five-year maturity ranges, overall growth in the yield curve is being offset by concerns related to recent geopolitical unrest and concerns regarding sluggish economic growth in Europe. As such, we do not expect to see a material change in yields during the current fiscal year. This interest rate environment directly impacts the ability of the portfolio to generate income. The budget for fiscal year 2014-15 projected General Fund investment earnings totaling \$2 million. Year to date through September 2014 these revenues have totaled \$410,000, which is slightly behind the projections which were included in the FY 2014-15 budget.

GOALS

Revenue Diversification and Preservation. Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

NOTIFICATION

Publication of the agenda

ATTACHMENTS

Attachment 1 - Treasurer's Cash and Investments Report – September 2014
Attachment 2 – Chandler Asset Management Bond Market Review – October 2014

Prepared By:
Brooke McKinney
Treasury Operations Division Manager

Department Head Approval:
Richard Teichert
Chief Financial Officer

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CITY OF MORENO VALLEY
Treasurer's Cash and Investments Report
September 2014

General Portfolio	Cost Value	Market Value	Par Value	Average Maturity (in years)	Average Yield to Maturity	Average Duration (in years)
Bank Accounts	1,628,134	1,628,134	1,628,134			
State of California LAIF Pool	16,590,023	16,594,979	16,590,023	0.64	0.25%	
Investments	134,271,396	133,752,183	133,855,709	2.54	1.42%	2.46
Total General Portfolio	152,489,553	151,975,296	152,073,866	2.24	1.27%	2.17

Bond Proceeds with Fiscal Agents	Market Value
Construction Funds	16,941,889
Principal & Interest Accounts	831,386
Debt Service Reserve Funds	6,094,520
Custody Accounts	0
Arbitrage Rebate Accounts	0
Other Accounts	14,295
Total Bond Proceeds	23,882,090

Deferred Compensation Funds	Market Value as of Sept 30, 2014
Nationwide	12,276,011
ICMA	5,107,010
Total Deferred Compensation Funds	17,383,021
Total Investment Portfolio	193,240,407

1. I hereby certify that the investments are in compliance with the investment policy adopted by the City Council. There are no items of non-compliance for this period.
2. The market values for the specific investments in the General Portfolio are provided by the City's investment advisor, Chandler Asset Management.
3. The market value for LAIF is provided by the State Treasurer.
4. The market values for investments held by fiscal agents and the deferred compensation plans are provided by each respective trustee or fiscal agent.
5. The City has the ability to meet its budgeted expenditures for the next six months pending any future action by City Council or any unforeseen catastrophic event.


 Richard Teichert
 City Treasurer

PORTFOLIO CHARACTERISTICS

Average Duration	2.17
Average Coupon	1.35 %
Average Purchase YTM	1.27 %
Average Market YTM	0.96 %
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	2.38 yrs
Average Life	2.24 yrs

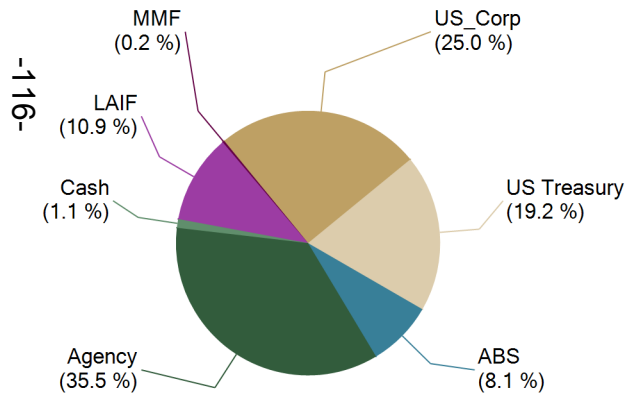
ACCOUNT SUMMARY

	Beg. Values as of 8/31/14	End Values as of 9/30/14
Market Value	160,990,467	151,970,340
Accrued Interest	499,085	405,203
Total Market Value	161,489,551	152,375,543
Income Earned	161,059	161,070
Cont/WD		
Par	160,506,483	152,073,866
Book Value	160,394,604	151,796,133
Cost Value	161,392,974	152,489,553

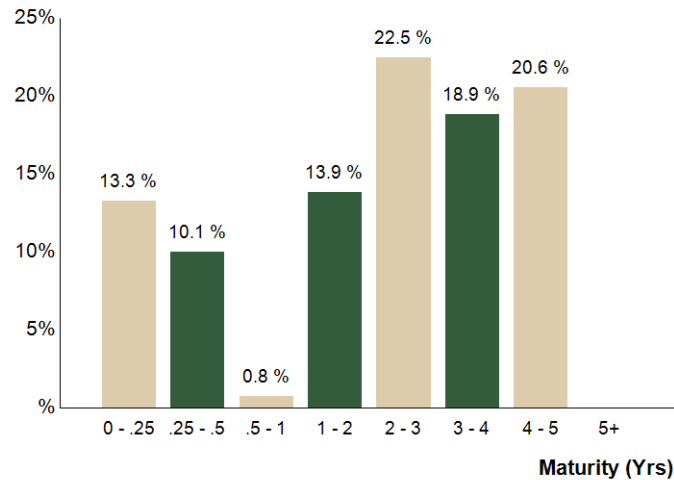
TOP ISSUERS

Issuer	% Portfolio
Government of United States	19.2 %
Federal National Mortgage Assoc	12.2 %
Federal Home Loan Mortgage Corp	11.1 %
Local Agency Investment Fund	10.9 %
Federal Home Loan Bank	7.7 %
Federal Farm Credit Bank	4.5 %
Honda ABS	3.0 %
John Deere ABS	2.5 %
	71.1 %

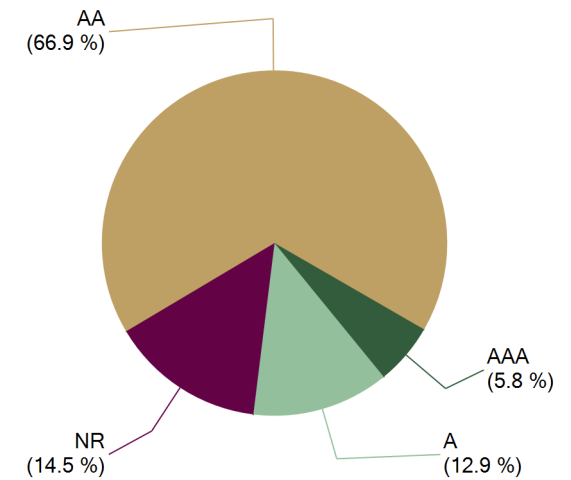
SECTOR ALLOCATION



MATURITY DISTRIBUTION

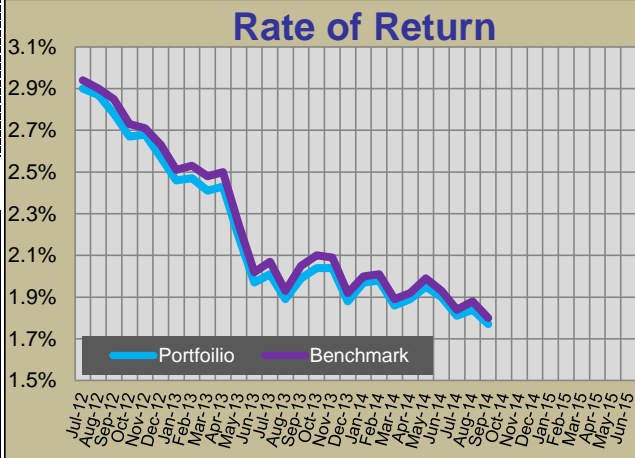
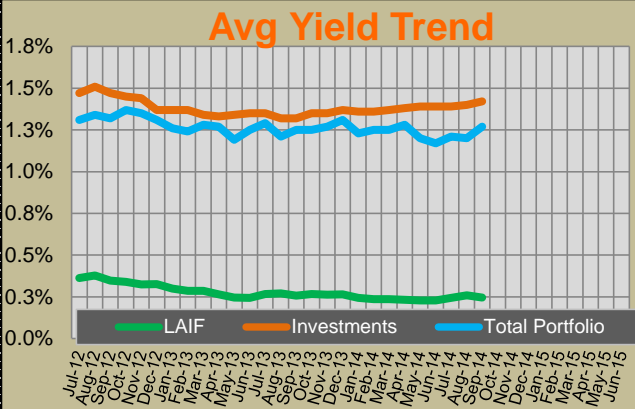
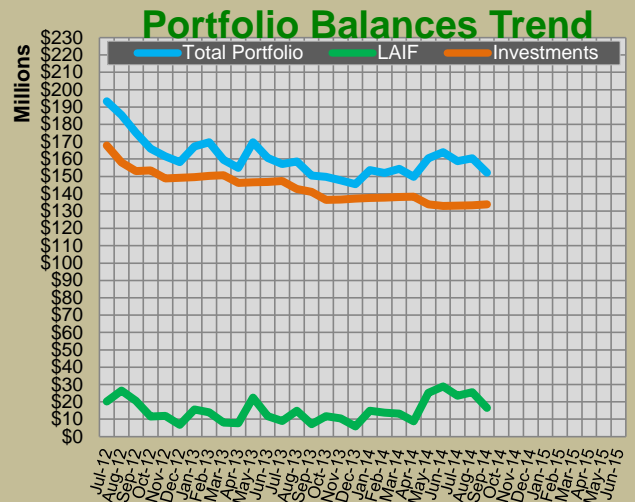


CREDIT QUALITY (S&P)



PORTFOLIO PERFORMANCE TREND

Period	Total General Portfolio Balance (par)	General Portfolio Avg YTM (2)	LAIF Balance	LAIF Yield	Investment Portfolio Balance (par) (1)	Inv Portfolio Avg YTM (2)	Rate of Return (3)	
							Investment Portfolio (4)	Benchmark 1-5 Gov+ Corp(5)
Jul-12	193,175,457	1.31%	20,190,538	0.363%	167,816,690	1.47%	2.90%	2.94%
Aug-12	185,345,577	1.34%	26,440,538	0.377%	158,119,543	1.51%	2.87%	2.90%
Sep-12	175,199,657	1.32%	20,640,538	0.348%	153,005,758	1.47%	2.78%	2.85%
Oct-12	166,024,161	1.37%	11,543,940	0.340%	153,407,209	1.45%	2.67%	2.73%
Nov-12	161,523,720	1.35%	11,958,940	0.324%	148,761,876	1.44%	2.68%	2.71%
Dec-12	158,187,131	1.31%	6,808,940	0.326%	149,234,776	1.37%	2.57%	2.63%
Jan-13	167,188,394	1.26%	15,538,247	0.300%	149,506,732	1.37%	2.46%	2.51%
Feb-13	169,656,543	1.24%	14,038,247	0.286%	150,276,255	1.37%	2.47%	2.53%
Mar-13	159,465,892	1.28%	8,088,247	0.285%	150,735,510	1.34%	2.41%	2.48%
Apr-13	154,956,060	1.27%	7,722,451	0.264%	146,196,092	1.33%	2.43%	2.50%
May-13	169,622,945	1.19%	22,352,451	0.245%	146,524,031	1.34%	2.19%	2.25%
Jun-13	160,642,643	1.25%	11,652,451	0.244%	146,817,918	1.35%	1.97%	2.02%
Jul-13	157,035,166	1.29%	8,901,042	0.267%	147,301,329	1.35%	2.01%	2.07%
Aug-13	158,668,278	1.21%	14,860,042	0.271%	142,774,990	1.32%	1.89%	1.93%
Sep-13	150,411,661	1.25%	7,060,042	0.257%	141,116,654	1.32%	1.99%	2.05%
Oct-13	149,690,495	1.25%	11,790,903	0.266%	136,377,517	1.35%	2.04%	2.10%
Nov-13	147,673,632	1.27%	10,460,903	0.263%	136,646,743	1.35%	2.04%	2.09%
Dec-13	145,466,714	1.31%	5,860,903	0.264%	137,209,798	1.37%	1.88%	1.92%
Jan-14	153,675,086	1.23%	14,867,528	0.244%	137,482,068	1.36%	1.97%	2.00%
Feb-14	151,951,962	1.25%	13,817,528	0.236%	137,665,484	1.36%	1.98%	2.01%
Mar-14	154,404,223	1.25%	13,117,528	0.236%	138,016,774	1.37%	1.86%	1.89%
Apr-14	149,658,747	1.28%	8,825,043	0.233%	138,347,433	1.38%	1.89%	1.92%
May-14	160,395,026	1.20%	25,225,043	0.228%	133,887,981	1.39%	1.95%	1.99%
Jun-14	163,989,443	1.17%	28,875,043	0.228%	132,945,464	1.39%	1.90%	1.93%
Jul-14	158,687,404	1.21%	23,590,023	0.244%	133,130,769	1.39%	1.81%	1.84%
Aug-14	160,506,483	1.20%	25,565,023	0.260%	133,367,483	1.40%	1.84%	1.88%
Sep-14	152,073,866	1.27%	16,590,023	0.246%	133,855,708	1.42%	1.77%	1.80%
Oct-14								
Nov-14								
Dec-14								
Jan-15								
Feb-15								
Mar-15								
Apr-15								
May-15								
Jun-15								



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- otes:
-) Investment portfolio includes the only long term investment pool. Does not include LAIF and cash balances.
-) Yield to Maturity (YTM): The rate of return on an investment or security if it were to be held until maturity. This yield does not reflect changes in the market value of a security
-) Rate of Return represents the gain or loss on an investment or portfolio of investments over a specified period, expressed as a percentage of increase over the initial investment cost. Gains on investments are considered to be any income received from the security or portfolio plus an realized capital gain. This measure of return recognizes the changes in market values of a security or portfolio of securities.
-) The Rate of Return for the investment portfolio reflects the performance of the portfolio since May 2010.
-) The portfolio benchmark is the Bank of America-Merrill Lynch 1 to 5 year Government Index/"A" Rated or better Corp



P	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
7RAC4	John Deere Owner Trust 2012-B A3 0.53% Due 7/15/2016	968,511.22	08/28/2012 0.53 %	968,481.30 968,497.35	100.03 0.46 %	968,777.56 228.14	0.64 % 280.21	Aaa / NR AAA	1.79 0.41
09201NAC7	Toyota Auto Receivable 2012-B A3 0.46% Due 7/15/2016	994,006.64	09/18/2012 0.46 %	993,912.11 993,976.21	100.04 0.37 %	994,374.42 203.22	0.65 % 398.21	Aaa / AAA NR	1.79 0.43
43814CAC3	Honda Auto Receivables 2013-1 A3 0.48% Due 11/21/2016	2,327,787.73	01/16/2013 0.48 %	2,327,665.52 2,327,736.81	99.99 0.51 %	2,327,478.13 310.37	1.53 % (258.68)	NR / AAA AAA	2.15 0.55
161571FL3	Chase CHAIT Pool #2012-A5 0.59% Due 8/15/2017	1,680,000.00	03/19/2013 0.59 %	1,680,000.00 1,680,000.00	100.10 0.47 %	1,681,708.56 440.53	1.10 % 1,708.56	NR / AAA AAA	2.88 0.85
477879AC4	John Deere Owner Trust 2013-B A3 0.87% Due 8/15/2017	640,000.00	08/27/2013 0.88 %	639,912.77 639,936.50	100.24 0.64 %	641,526.40 247.47	0.42 % 1,589.90	Aaa / NR AAA	2.88 1.04
89231MAC9	Toyota Auto Receivables Owner 2014-A 0.67% Due 12/15/2017	1,180,000.00	03/11/2014 0.69 %	1,179,781.94 1,179,823.23	99.88 0.75 %	1,178,585.18 351.38	0.77 % (1,238.05)	Aaa / AAA NR	3.21 1.58
43814GAC4	Honda Auto Receivables 2014-2 A3 0.77% Due 3/19/2018	1,145,000.00	05/13/2014 0.78 %	1,144,862.37 1,144,879.12	99.82 0.88 %	1,142,888.62 318.37	0.75 % (1,990.50)	Aaa / AAA NR	3.47 1.77
47787VAC5	John Deere Owner Trust 2014-A A3 0.92% Due 4/16/2018	1,635,000.00	04/02/2014 0.93 %	1,634,738.07 1,634,779.67	99.86 1.00 %	1,632,743.70 668.53	1.07 % (2,035.97)	Aaa / NR AAA	3.55 1.76
111814HAC2	Honda Auto Receivables 2014-3 A3 0.88% Due 6/15/2018	1,085,000.00	08/12/2014 0.89 %	1,084,790.70 1,084,798.99	99.98 0.89 %	1,084,836.17 424.36	0.71 % 37.18	Aaa / AAA AAA	3.71 1.96
0877AD6	John Deere Owner Trust 2014-B A3 1.07% Due 11/15/2018	620,000.00	08/26/2014 1.08 %	619,864.59 619,867.83	99.78 1.17 %	618,641.58 515.98	0.41 % (1,226.25)	Aaa / NR AAA	4.13 2.18
Total ABS		12,275,305.59	0.69 %	12,274,009.37 12,274,295.71	0.68 %	12,271,560.32 3,708.35	8.06 % (2,735.39)	Aaa / AAA Aaa	2.88 1.18
AGENCY									
3133EADW5	FFCB Note 0.55% Due 8/17/2015	1,200,000.00	04/27/2012 0.60 %	1,198,213.20 1,199,525.10	100.31 0.19 %	1,203,775.20 806.67	0.79 % 4,250.10	Aaa / AA+ AAA	0.88 0.88
3133ECBJ2	FFCB Note 0.43% Due 11/16/2015	3,100,000.00	12/24/2012 0.45 %	3,098,233.00 3,099,310.97	100.05 0.38 %	3,101,652.30 4,998.75	2.04 % 2,341.33	Aaa / AA+ AAA	1.13 1.12
31331J6C2	FFCB Note 2.35% Due 12/22/2015	900,000.00	03/28/2011 2.27 %	903,258.00 900,842.29	102.31 0.46 %	920,759.40 5,816.25	0.61 % 19,917.11	Aaa / AA+ AAA	1.23 1.21
3136FPDC8	FNMA Callable Note 1X 3/8/2011 2% Due 3/8/2016	1,765,000.00	08/24/2011 1.22 %	1,825,645.40 1,784,178.15	102.20 0.47 %	1,803,782.35 2,255.28	1.19 % 19,604.20	Aaa / AA+ AAA	1.44 1.42
313372YS7	FHLB Note 2.45% Due 3/30/2016	2,150,000.00	07/07/2011 1.87 %	2,206,631.00 2,167,904.18	103.01 0.44 %	2,214,626.85 146.32	1.45 % 46,722.67	Aaa / AA+ AAA	1.50 1.48
313373SZ6	FHLB Note 2.125% Due 6/10/2016	2,775,000.00	Various 1.36 %	2,871,705.50 2,809,795.72	102.65 0.55 %	2,848,648.50 18,182.04	1.88 % 38,852.78	Aaa / AA+ AAA	1.70 1.66
3130A0C65	FHLB Note 0.625% Due 12/28/2016	340,000.00	06/26/2014 0.68 %	339,496.80 339,549.59	99.77 0.73 %	339,230.58 548.96	0.22 % (319.01)	Aaa / AA+ AAA	2.25 2.22
3133787M7	FHLB Note 1.05% Due 2/27/2017	1,195,000.00	02/27/2012 1.03 %	1,196,099.40 1,195,529.83	100.65 0.78 %	1,202,821.28 1,185.04	0.79 % 7,291.45	Aaa / AA+ AAA	2.41 2.37



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
AGENCY									
3135G0UY7	FNMA Callable Note 1X 2/27/15 1% Due 2/27/2017	1,500,000.00	04/23/2013 0.48 %	1,514,250.00 1,503,150.22	99.90 1.04 %	1,498,440.00 1,416.67	0.98 % (4,710.22)	Aaa / AA+ AAA	2.41 1.44
3137EADC0	FHLMC Note 1% Due 3/8/2017	2,700,000.00	03/14/2012 1.29 %	2,662,335.00 2,681,591.98	100.28 0.88 %	2,707,635.60 1,725.00	1.78 % 26,043.62	Aaa / AA+ AAA	2.44 2.40
313378WF4	FHLB Note 1.125% Due 3/10/2017	2,800,000.00	04/24/2012 1.05 %	2,809,968.00 2,804,989.60	100.50 0.92 %	2,814,075.60 1,837.50	1.85 % 9,086.00	Aaa / AA+ AAA	2.44 2.41
3133782N0	FHLB Note 0.875% Due 3/10/2017	1,310,000.00	03/13/2013 0.70 %	1,318,894.90 1,315,443.24	99.92 0.91 %	1,308,989.99 668.65	0.86 % (6,453.25)	Aaa / AA+ AAA	2.44 2.41
3137EADF3	FHLMC Note 1.25% Due 5/12/2017	3,300,000.00	05/29/2012 1.06 %	3,330,600.90 3,316,146.71	100.70 0.98 %	3,323,020.80 15,927.08	2.19 % 6,874.09	Aaa / AA+ AAA	2.62 2.56
313379VE6	FHLB Note 1.01% Due 6/19/2017	915,000.00	07/26/2012 0.82 %	923,363.10 919,639.93	100.17 0.95 %	916,531.71 2,618.43	0.60 % (3,108.22)	Aaa / AA+ AAA	2.72 2.67
3137EADH9	FHLMC Note 1% Due 6/29/2017	3,150,000.00	Various 0.85 %	3,171,475.20 3,162,258.29	99.85 1.06 %	3,145,227.76 8,050.00	2.07 % (17,030.53)	Aaa / AA+ AAA	2.75 2.70
3133EAY28	FFCB Note 0.83% Due 9/21/2017	1,645,000.00	09/18/2012 0.83 %	1,645,000.00 1,645,000.00	99.09 1.14 %	1,629,948.25 379.26	1.07 % (15,051.75)	Aaa / AA+ NR	2.98 2.93
3135G0ZL0	FNMA Note 1% Due 9/27/2017	1,325,000.00	08/21/2014 1.12 %	1,320,269.75 1,320,424.77	99.58 1.14 %	1,319,416.45 147.22	0.87 % (1,008.32)	Aaa / AA+ AAA	2.99 2.94
3137EADL0	FHLMC Note 1% Due 9/29/2017	1,050,000.00	10/25/2012 0.92 %	1,053,983.70 1,052,427.95	99.55 1.15 %	1,045,260.30 58.33	0.69 % (7,167.65)	Aaa / AA+ AAA	3.00 2.94
3135G0RT2	FNMA Note 0.875% Due 12/20/2017	1,850,000.00	02/22/2013 0.93 %	1,845,264.00 1,846,833.69	98.75 1.27 %	1,826,854.65 4,541.49	1.20 % (19,979.04)	Aaa / AA+ AAA	3.22 3.16
3137EADN6	FHLMC Note 0.75% Due 1/12/2018	1,850,000.00	Various 0.96 %	1,833,275.85 1,837,399.46	98.05 1.36 %	1,813,904.65 3,044.79	1.19 % (23,494.81)	Aaa / AA+ AAA	3.29 3.22
3135G0TG8	FNMA Note 0.875% Due 2/8/2018	2,950,000.00	Various 1.33 %	2,889,437.30 2,906,196.86	98.40 1.36 %	2,902,932.75 3,800.17	1.91 % (3,264.11)	Aaa / AA+ AAA	3.36 3.29
3135G0WJ8	FNMA Note 0.875% Due 5/21/2018	2,800,000.00	07/29/2013 1.54 %	2,714,614.00 2,735,425.62	97.94 1.46 %	2,742,213.60 8,847.22	1.81 % 6,787.98	Aaa / AA+ AAA	3.64 3.55
3135G0YM9	FNMA Note 1.875% Due 9/18/2018	950,000.00	12/23/2013 1.71 %	956,915.05 955,801.27	101.02 1.61 %	959,711.85 643.23	0.63 % 3,910.58	Aaa / AA+ AAA	3.97 3.81
3135G0YT4	FNMA Note 1.625% Due 11/27/2018	2,750,000.00	12/13/2013 1.71 %	2,739,055.00 2,740,795.29	99.79 1.68 %	2,744,318.50 15,392.36	1.81 % 3,523.21	Aaa / AA+ AAA	4.16 3.98
3135G0ZA4	FNMA Note 1.875% Due 2/19/2019	2,775,000.00	Various 1.65 %	2,804,173.78 2,800,764.73	100.29 1.81 %	2,783,016.98 6,070.32	1.83 % (17,747.75)	Aaa / AA+ AAA	4.39 4.18
EADG1	FHLMC Note 1.75% Due 5/30/2019	2,125,000.00	Various 1.80 %	2,119,946.43 2,119,771.88	99.70 1.82 %	2,118,559.13 12,499.13	1.40 % (1,212.75)	Aaa / AA+ AAA	4.67 4.44
EADK2	FHLMC Note 1.25% Due 8/1/2019	2,750,000.00	09/04/2014 1.83 %	2,674,980.00 2,675,945.02	97.07 1.89 %	2,669,504.75 5,729.17	1.76 % (6,440.27)	Aaa / AA+ AAA	4.84 4.65
Agency		53,920,000.00	1.22 %	53,967,084.26 53,836,642.34	1.09 %	53,904,859.78 127,335.33	35.46 % 68,217.44	Aaa / AA+ Aaa	2.86 2.76

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P	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
SH\$00	Cash Custodial Cash Account	1,628,134.15	Various 0.00 %	1,628,134.15 1,628,134.15	1.00 0.00 %	1,628,134.15 0.00	1.07 % 0.00	NR / NR NR	0.00 0.00
Total Cash		1,628,134.15	N/A	1,628,134.15 1,628,134.15	0.00 %	1,628,134.15 0.00	1.07 % 0.00	NR / NR NR	0.00 0.00
LAIF									
90LAIF\$00	Local Agency Investment Fund State Pool	16,590,022.89	Various 0.24 %	16,590,022.89 16,590,022.89	1.00 0.24 %	16,590,022.89 14,299.59	10.90 % 0.00	NR / NR NR	0.00 0.00
Total LAIF		16,590,022.89	0.24 %	16,590,022.89 16,590,022.89	0.24 %	16,590,022.89 14,299.59	10.90 % 0.00	NR / NR NR	0.00 0.00
MONEY MARKET FUND FI									
60934N104	Federated GOVT OBLIG MMF	374,802.87	Various 0.01 %	374,802.87 374,802.87	1.00 0.01 %	374,802.87 0.00	0.25 % 0.00	Aaa / AAA AAA	0.00 0.00
Total Money Market Fund FI		374,802.87	0.01 %	374,802.87 374,802.87	0.01 %	374,802.87 0.00	0.25 % 0.00	Aaa / AAA Aaa	0.00 0.00
CORPORATE									
09247XAD3	Blackrock Inc Note 3.5% Due 12/10/2014	1,630,000.00	Various 2.84 %	1,674,920.75 1,631,913.85	100.59 0.45 %	1,639,652.86 17,590.42	1.09 % 7,739.01	A1 / AA- NR	0.19 0.19
713448BM9	Pepsico Inc. Note 3.1% Due 1/15/2015	2,530,000.00	Various 2.05 %	2,641,540.25 2,537,386.66	100.80 0.36 %	2,550,156.52 16,557.45	1.68 % 12,769.86	A1 / A- A	0.29 0.29
46625HHP8	JP Morgan Chase Note 3.7% Due 1/20/2015	2,550,000.00	Various 3.34 %	2,584,656.00 2,552,609.63	100.99 0.46 %	2,575,176.16 18,607.92	1.70 % 22,566.53	A3 / A A+	0.31 0.31
459200HB0	IBM Corp Note 0.55% Due 2/6/2015	695,000.00	02/01/2012 0.72 %	691,601.45 694,603.09	100.10 0.26 %	695,697.78 583.99	0.46 % 1,094.69	Aa3 / AA- A+	0.35 0.35
94980VAA6	Wells Fargo Bank Note 4.75% Due 2/9/2015	2,475,000.00	Various 3.65 %	2,584,316.50 2,483,930.03	101.52 0.49 %	2,512,726.43 16,981.25	1.66 % 28,796.40	A1 / A+ A+	0.36 0.36
084670AV0	Berkshire Hathaway Note 3.2% Due 2/11/2015	2,485,000.00	06/09/2010 2.65 %	2,545,012.75 2,489,686.84	101.04 0.34 %	2,510,779.39 11,044.44	1.66 % 21,092.55	Aa2 / AA A+	0.37 0.36
191216AX8	Coca Cola Company Note 0.75% Due 3/13/2015	2,090,000.00	Various 0.80 %	2,086,645.55 2,089,499.61	100.17 0.38 %	2,093,479.86 783.76	1.37 % 3,980.25	Aa3 / AA A+	0.45 0.45
717081DA8	Pfizer Inc. Note 5.35% Due 3/15/2015	1,550,000.00	02/18/2011 2.33 %	1,730,497.50 1,570,123.03	102.21 0.52 %	1,584,227.10 3,685.56	1.04 % 14,104.07	A1 / AA A+	0.45 0.46
74005PAR5	Praxair Note 4.625% Due 3/30/2015	740,000.00	Various 2.58 %	807,780.55 746,990.12	102.11 0.40 %	755,603.64 95.07	0.50 % 8,613.52	A2 / A NR	0.50 0.50
278642AB9	Ebay Inc Note 1.625% Due 10/15/2015	2,345,000.00	10/22/2010 1.66 %	2,340,896.25 2,344,142.13	101.16 0.51 %	2,372,248.90 17,571.22	1.57 % 28,106.77	A2 / A A	1.04 1.03
38259PAC6	Google Inc Note 2.125% Due 5/19/2016	1,315,000.00	11/15/2012 0.75 %	1,377,186.90 1,344,046.55	102.41 0.64 %	1,346,724.38 10,246.04	0.89 % 2,677.83	Aa2 / AA NR	1.64 1.60



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US CORPORATE									
24422ERL5	John Deere Capital Corp Note 2% Due 1/13/2017	1,215,000.00	09/11/2012 1.05 %	1,263,733.65 1,240,722.25	102.06 1.09 %	1,239,974.33 5,265.00	0.82 % (747.92)	A2 / A NR	2.29 2.23
674599CB9	Occidental Petroleum Note 1.75% Due 2/15/2017	1,575,000.00	03/08/2013 1.13 %	1,612,532.25 1,597,702.43	101.27 1.21 %	1,595,005.65 3,521.88	1.05 % (2,696.78)	A1 / A A	2.38 2.32
717081DJ9	Pfizer Inc. Note 1.1% Due 5/15/2017	565,000.00	05/12/2014 1.13 %	564,502.80 564,565.86	99.76 1.19 %	563,637.22 2,347.89	0.37 % (928.64)	A1 / AA A+	2.62 2.57
913017BU2	United Tech Corp Note 1.8% Due 6/1/2017	170,000.00	05/24/2012 1.82 %	169,853.80 169,922.02	101.48 1.24 %	172,511.24 1,020.00	0.11 % 2,589.22	A2 / A A	2.67 2.59
166764AA8	Chevron Corp. Callable Note Cont 11/5/17 1.104% Due 12/5/2017	1,500,000.00	Various 1.47 %	1,477,072.20 1,482,914.52	99.04 1.41 %	1,485,627.00 5,335.99	0.98 % 2,712.48	Aa1 / AA NR	3.18 3.10
458140AL4	Intel Corp Note 1.35% Due 12/15/2017	1,940,000.00	12/12/2012 1.29 %	1,945,790.55 1,943,717.51	99.68 1.45 %	1,933,714.40 7,711.51	1.27 % (10,003.11)	A1 / A+ A+	3.21 3.12
931142DF7	Wal-Mart Stores Note 1.125% Due 4/11/2018	1,130,000.00	04/04/2013 1.14 %	1,128,960.40 1,129,266.70	98.64 1.52 %	1,114,665.90 6,003.13	0.74 % (14,600.80)	Aa2 / AA AA	3.53 3.43
037833AJ9	Apple Inc Note 1% Due 5/3/2018	1,900,000.00	05/22/2013 1.25 %	1,877,181.00 1,883,402.06	97.53 1.71 %	1,853,111.80 7,811.11	1.22 % (30,290.26)	Aa1 / AA+ NR	3.59 3.49
59HHE3	US Bancorp Callable Note Cont 10/15/2018 1.95% Due 11/15/2018	215,000.00	02/12/2014 1.90 %	215,455.80 215,395.47	99.80 2.00 %	214,559.68 1,583.83	0.14 % (835.79)	A1 / A+ AA-	4.13 3.92
24422ESF7	John Deere Capital Corp Note 1.95% Due 12/13/2018	545,000.00	12/10/2013 1.99 %	543,839.15 544,024.78	99.79 2.00 %	543,862.04 3,188.25	0.36 % (162.74)	A2 / A NR	4.21 3.99
36962G7G3	General Electric Capital Corp Note 2.3% Due 1/14/2019	1,750,000.00	01/08/2014 2.32 %	1,748,286.80 1,748,530.74	100.99 2.06 %	1,767,249.75 8,609.02	1.17 % 18,719.01	A1 / AA+ NR	4.29 4.05
17275RAR3	Cisco Systems Note 2.125% Due 3/1/2019	1,805,000.00	Various 2.04 %	1,812,199.75 1,811,371.87	99.95 2.14 %	1,804,092.09 3,196.35	1.19 % (7,279.78)	A1 / AA- NR	4.42 4.19
91159HHH6	US Bancorp Callable Note Cont 3/25/2019 2.2% Due 4/25/2019	1,365,000.00	Various 2.18 %	1,366,198.85 1,366,244.60	100.08 2.18 %	1,366,055.15 13,096.41	0.91 % (189.45)	A1 / A+ AA-	4.57 4.21
06406HCW7	Bank of New York Callable Note Cont 8/11/2019 2.3% Due 9/11/2019	1,675,000.00	Various 2.29 %	1,675,650.55 1,675,643.26	99.18 2.48 %	1,661,216.43 2,140.28	1.09 % (14,426.83)	A1 / A+ AA-	4.95 4.64
Total US Corporate		37,755,000.00	1.98 %	38,466,312.00 37,858,355.61	1.03 %	37,951,755.70 184,577.77	25.03 % 93,400.09	A1 / AA- A+	1.95 1.87
REASURY									
28PJ3	US Treasury Note 1.375% Due 11/30/2015	1,825,000.00	05/16/2011 1.63 %	1,804,617.45 1,819,768.97	101.36 0.21 %	1,849,737.88 8,433.15	1.22 % 29,968.91	Aaa / AA+ AAA	1.17 1.16
28PS3	US Treasury Note 2% Due 1/31/2016	2,555,000.00	05/16/2011 1.70 %	2,589,241.55 2,564,706.42	102.29 0.28 %	2,613,486.51 8,609.24	1.72 % 48,780.09	Aaa / AA+ AAA	1.34 1.32

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P	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
REASURY									
28SC5	US Treasury Note 0.875% Due 1/31/2017	1,710,000.00	06/20/2012 0.70 %	1,723,298.31 1,716,732.02	100.19 0.79 %	1,713,206.25 2,520.86	1.13 % (3,525.77)	Aaa / AA+ AAA	2.34 2.30
912828TG5	US Treasury Note 0.5% Due 7/31/2017	3,100,000.00	02/25/2013 0.73 %	3,069,373.67 3,080,403.70	98.48 1.04 %	3,053,016.40 2,611.41	2.01 % (27,387.30)	Aaa / AA+ AAA	2.84 2.80
912828TS9	US Treasury Note 0.625% Due 9/30/2017	2,875,000.00	Various 0.74 %	2,860,759.64 2,865,347.05	98.53 1.12 %	2,832,772.00 49.37	1.86 % (32,575.05)	Aaa / AA+ AAA	3.00 2.96
912828UU2	US Treasury Note 0.75% Due 3/31/2018	2,835,000.00	Various 1.28 %	2,768,003.84 2,783,779.30	97.94 1.36 %	2,776,528.13 58.41	1.82 % (7,251.17)	Aaa / AA+ AAA	3.50 3.44
912828VE7	US Treasury Note 1% Due 5/31/2018	1,450,000.00	01/07/2014 1.46 %	1,421,684.55 1,426,380.25	98.51 1.42 %	1,428,363.10 4,872.95	0.94 % 1,982.85	Aaa / AA+ AAA	3.67 3.57
912828WD8	US Treasury Note 1.25% Due 10/31/2018	2,805,600.00	12/13/2013 1.50 %	2,772,292.90 2,777,669.24	98.75 1.57 %	2,770,530.00 14,676.03	1.83 % (7,139.24)	Aaa / AA+ AAA	4.09 3.94
912828A34	US Treasury Note 1.25% Due 11/30/2018	2,725,000.00	Various 1.71 %	2,666,444.67 2,675,283.51	98.63 1.59 %	2,687,531.25 11,447.23	1.77 % 12,247.74	Aaa / AA+ AAA	4.17 4.02
912828SD3	US Treasury Note 1.25% Due 1/31/2019	2,100,000.00	06/17/2014 1.64 %	2,063,421.09 2,065,696.44	98.32 1.65 %	2,064,726.30 4,422.55	1.36 % (970.14)	Aaa / AA+ AAA	4.34 4.19
912828SH4	US Treasury Note 1.375% Due 2/28/2019	2,825,000.00	03/31/2014 1.72 %	2,779,434.27 2,784,082.28	98.72 1.68 %	2,788,806.10 3,326.40	1.83 % 4,723.82	Aaa / AA+ AAA	4.42 4.26
912828ST8	US Treasury Note 1.25% Due 4/30/2019	2,725,000.00	06/10/2014 1.68 %	2,670,615.57 2,674,029.84	98.00 1.71 %	2,670,500.00 14,254.42	1.76 % (3,529.84)	Aaa / AA+ AAA	4.58 4.41
Total US Treasury		29,530,600.00	1.37 %	29,189,187.51 29,233,879.02	1.23 %	29,249,203.92 75,282.02	19.24 % 15,324.90	Aaa / AA+ Aaa	3.35 3.25
TOTAL PORTFOLIO		152,073,865.50	1.27 %	152,489,553.05 151,796,132.59	0.96 %	151,970,339.63 405,203.06	100.00 % 174,207.04	Aa1 / AA Aaa	2.38 2.17
TOTAL MARKET VALUE PLUS ACCRUED						152,375,542.69			



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	09/01/2014	60934N104	18,965.03	Federated GOVT OBLIG MMF	1.000	0.01 %	18,965.03	0.00	18,965.03	0.00
Purchase	09/02/2014	60934N104	1.46	Federated GOVT OBLIG MMF	1.000	0.01 %	1.46	0.00	1.46	0.00
Purchase	09/03/2014	477877AD6	620,000.00	John Deere Owner Trust 2014-B A3 1.07% Due 11/15/2018	99.978	1.08 %	619,864.59	0.00	619,864.59	0.00
Purchase	09/03/2014	60934N104	665,000.00	Federated GOVT OBLIG MMF	1.000	0.01 %	665,000.00	0.00	665,000.00	0.00
Purchase	09/08/2014	3137EADK2	2,750,000.00	FHLMC Note 1.25% Due 8/1/2019	97.272	1.83 %	2,674,980.00	3,532.99	2,678,512.99	0.00
Purchase	09/08/2014	60934N104	288,711.44	Federated GOVT OBLIG MMF	1.000	0.01 %	288,711.44	0.00	288,711.44	0.00
Purchase	09/08/2014	60934N104	31,150.00	Federated GOVT OBLIG MMF	1.000	0.01 %	31,150.00	0.00	31,150.00	0.00
Purchase	09/10/2014	60934N104	21,481.25	Federated GOVT OBLIG MMF	1.000	0.01 %	21,481.25	0.00	21,481.25	0.00
Purchase	09/11/2014	06406HCW7	1,115,000.00	Bank of New York Callable Note Cont 8/11/2019 2.3% Due 9/11/2019	99.981	2.30 %	1,114,788.15	0.00	1,114,788.15	0.00
Purchase	09/11/2014	06406HCW7	560,000.00	Bank of New York Callable Note Cont 8/11/2019 2.3% Due 9/11/2019	100.154	2.27 %	560,862.40	0.00	560,862.40	0.00
Purchase	09/11/2014	60934N104	1,911,308.40	Federated GOVT OBLIG MMF	1.000	0.01 %	1,911,308.40	0.00	1,911,308.40	0.00
Purchase	09/13/2014	60934N104	7,837.50	Federated GOVT OBLIG MMF	1.000	0.01 %	7,837.50	0.00	7,837.50	0.00
Purchase	09/15/2014	60934N104	41,462.50	Federated GOVT OBLIG MMF	1.000	0.01 %	41,462.50	0.00	41,462.50	0.00
Purchase	09/15/2014	60934N104	826.00	Federated GOVT OBLIG MMF	1.000	0.01 %	826.00	0.00	826.00	0.00
Purchase	09/15/2014	60934N104	464.00	Federated GOVT OBLIG MMF	1.000	0.01 %	464.00	0.00	464.00	0.00
Purchase	09/15/2014	60934N104	1,253.50	Federated GOVT OBLIG MMF	1.000	0.01 %	1,253.50	0.00	1,253.50	0.00
Purchase	09/15/2014	60934N104	105,025.15	Federated GOVT OBLIG MMF	1.000	0.01 %	105,025.15	0.00	105,025.15	0.00
Purchase	09/16/2014	60934N104	658.83	Federated GOVT OBLIG MMF	1.000	0.01 %	658.83	0.00	658.83	0.00
Purchase	09/16/2014	60934N104	663.06	Federated GOVT OBLIG MMF	1.000	0.01 %	663.06	0.00	663.06	0.00
Purchase	09/16/2014	60934N104	73,723.94	Federated GOVT OBLIG MMF	1.000	0.01 %	73,723.94	0.00	73,723.94	0.00
Purchase	09/18/2014	60934N104	8,906.25	Federated GOVT OBLIG MMF	1.000	0.01 %	8,906.25	0.00	8,906.25	0.00
Purchase	09/18/2014	60934N104	734.71	Federated GOVT OBLIG MMF	1.000	0.01 %	734.71	0.00	734.71	0.00
Purchase	09/21/2014	60934N104	6,826.75	Federated GOVT OBLIG MMF	1.000	0.01 %	6,826.75	0.00	6,826.75	0.00
Purchase	09/22/2014	3137EADG1	1,400,000.00	FHLMC Note 1.75% Due 5/30/2019	99.438	1.88 %	1,392,134.80	7,622.22	1,399,757.02	0.00
Purchase	09/22/2014	60934N104	198,222.27	Federated GOVT OBLIG MMF	1.000	0.01 %	198,222.27	0.00	198,222.27	0.00
Purchase	09/27/2014	60934N104	1,177.78	Federated GOVT OBLIG MMF	1.000	0.01 %	1,177.78	0.00	1,177.78	0.00
Purchase	09/29/2014	60934N104	5,250.00	Federated GOVT OBLIG MMF	1.000	0.01 %	5,250.00	0.00	5,250.00	0.00

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Transaction	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	09/30/2014	60934N104	63,065.63	Federated GOVT OBLIG MMF	1.000	0.01 %	63,065.63	0.00	63,065.63	0.00
			9,897,715.45				9,815,345.39	11,155.21	9,826,500.60	0.00
Security Contribution	09/10/2014	60934N104	291.67	Federated GOVT OBLIG MMF	1.000		291.67	0.00	291.67	0.00
Security Contribution	09/11/2014	90LAIF\$00	500,000.00	Local Agency Investment Fund State Pool	1.000		500,000.00	0.00	500,000.00	0.00
Security Contribution	09/24/2014	90LAIF\$00	2,100,000.00	Local Agency Investment Fund State Pool	1.000		2,100,000.00	0.00	2,100,000.00	0.00
Security Contribution	09/25/2014	90LAIF\$00	725,000.00	Local Agency Investment Fund State Pool	1.000		725,000.00	0.00	725,000.00	0.00
Security Contribution	09/30/2014	90CASH\$00	54,156.83	Cash Custodial Cash Account	1.000		54,156.83	0.00	54,156.83	0.00
			3,379,448.50				3,379,448.50	0.00	3,379,448.50	0.00
Net Sale	09/03/2014	60934N104	-619,864.59	Federated GOVT OBLIG MMF	1.000		-619,864.59	0.00	-619,864.59	0.00
Net Sale	09/11/2014	60934N104	-1,114,788.15	Federated GOVT OBLIG MMF	1.000		-1,114,788.15	0.00	-1,114,788.15	0.00
			-1,734,652.74				-1,734,652.74	0.00	-1,734,652.74	0.00
TOTAL ACQUISITIONS			11,542,511.21				11,460,141.15	11,155.21	11,471,296.36	0.00
DISPOSITIONS										
Closing Purchase	09/03/2014	60934N104	-619,864.59	Federated GOVT OBLIG MMF	1.000		-619,864.59	0.00	-619,864.59	0.00
Closing Purchase	09/11/2014	60934N104	-1,114,788.15	Federated GOVT OBLIG MMF	1.000		-1,114,788.15	0.00	-1,114,788.15	0.00
			-1,734,652.74				-1,734,652.74	0.00	-1,734,652.74	0.00
Sale	09/03/2014	60934N104	619,864.59	Federated GOVT OBLIG MMF	1.000	0.01 %	619,864.59	0.00	619,864.59	0.00
Sale	09/08/2014	3137EACT4	925,000.00	FHLMC Note 2.5% Due 5/27/2016	103.431	0.49 %	956,736.75	6,487.85	963,224.60	22,104.54
Sale	09/08/2014	3137EACW7	1,950,000.00	FHLMC Note 2% Due 8/25/2016	102.697	0.62 %	2,002,591.50	1,408.33	2,003,999.83	22,445.34
Sale	09/11/2014	06406JHB4	2,360,000.00	Bank of New York Mellon Note 4.95% Due 3/15/2015	102.333	0.38 %	2,415,058.80	57,112.00	2,472,170.80	22,870.89
Sale	09/11/2014	60934N104	1,114,788.15	Federated GOVT OBLIG MMF	1.000	0.01 %	1,114,788.15	0.00	1,114,788.15	0.00



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
DISPOSITIONS										
Sale	09/22/2014	60934N104	1,399,757.02	Federated GOV'T OBLIG MMF	1.000	0.01 %	1,399,757.02	0.00	1,399,757.02	0.00
	Subtotal		8,369,409.76				8,508,796.81	65,008.18	8,573,804.99	67,420.77
Paydown	09/15/2014	161571FL3	0.00	Chase CHAIT Pool #2012-A5 0.59% Due 8/15/2017	100.000		0.00	826.00	826.00	0.00
Paydown	09/15/2014	477879AC4	0.00	John Deere Owner Trust 2013-B A3 0.87% Due 8/15/2017	100.000		0.00	464.00	464.00	0.00
Paydown	09/15/2014	47787VAC5	0.00	John Deere Owner Trust 2014-A A3 0.92% Due 4/16/2018	100.000		0.00	1,253.50	1,253.50	0.00
Paydown	09/15/2014	89231NAC7	104,604.02	Toyota Auto Receivable 2012-B A3 0.46% Due 7/15/2016	100.000		104,604.02	421.13	105,025.15	0.00
Paydown	09/16/2014	43814HAC2	0.00	Honda Auto Receivables 2014-3 A3 0.88% Due 6/15/2018	100.000		0.00	663.06	663.06	0.00
Paydown	09/16/2014	47787RAC4	73,263.82	John Deere Owner Trust 2012-B A3 0.53% Due 7/15/2016	100.000		73,263.82	460.12	73,723.94	0.00
Paydown	09/16/2014	89231MAC9	0.00	Toyota Auto Receivables Owner 2014-A 0.67% Due 12/15/2017	100.000		0.00	658.83	658.83	0.00
Paydown	09/18/2014	43814GAC4	0.00	Honda Auto Receivables 2014-2 A3 0.77% Due 3/19/2018	100.000		0.00	734.71	734.71	0.00
Paydown	09/21/2014	43814CAC3	197,212.27	Honda Auto Receivables 2013-1 A3 0.48% Due 11/21/2016	100.000		197,212.27	1,010.00	198,222.27	0.00
	Subtotal		375,080.11				375,080.11	6,491.35	381,571.46	0.00
Maturity	09/03/2014	06416KJ35	665,000.00	Bank of Nova Scotia Discount CP 0.25% Due 9/3/2014	99.824		665,000.00	0.00	665,000.00	0.00
	Subtotal		665,000.00				665,000.00	0.00	665,000.00	0.00
Security Withdrawal	09/03/2014	90LAIF\$00	2,300,000.00	Local Agency Investment Fund State Pool	1.000		2,300,000.00	0.00	2,300,000.00	0.00
Security Withdrawal	09/04/2014	90LAIF\$00	800,000.00	Local Agency Investment Fund State Pool	1.000		800,000.00	0.00	800,000.00	0.00
Security Withdrawal	09/09/2014	90LAIF\$00	3,900,000.00	Local Agency Investment Fund State Pool	1.000		3,900,000.00	0.00	3,900,000.00	0.00
Security Withdrawal	09/10/2014	60934N104	291.67	Federated GOV'T OBLIG MMF	1.000		291.67	0.00	291.67	0.00
Security Withdrawal	09/17/2014	90LAIF\$00	2,000,000.00	Local Agency Investment Fund State Pool	1.000		2,000,000.00	0.00	2,000,000.00	0.00
Security Withdrawal	09/23/2014	90LAIF\$00	1,000,000.00	Local Agency Investment Fund State Pool	1.000		1,000,000.00	0.00	1,000,000.00	0.00

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Transaction	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
DISPOSITIONS										
City Withdrawal	09/30/2014	90LAIF\$00	2,300,000.00	Local Agency Investment Fund State Pool	1.000		2,300,000.00	0.00	2,300,000.00	0.00
	Subtotal		12,300,291.67				12,300,291.67	0.00	12,300,291.67	0.00
TOTAL DISPOSITIONS			19,975,128.80				20,114,515.85	71,499.53	20,186,015.38	67,420.77
OTHER TRANSACTIONS										
Interest	09/01/2014	17275RAR3	1,805,000.00	Cisco Systems Note 2.125% Due 3/1/2019	0.000		18,965.03	0.00	18,965.03	0.00
Interest	09/08/2014	3136FPDC8	1,765,000.00	FNMA Callable Note 1X 3/8/2011 2% Due 3/8/2016	0.000		17,650.00	0.00	17,650.00	0.00
Interest	09/08/2014	3137EADC0	2,700,000.00	FHLMC Note 1% Due 3/8/2017	0.000		13,500.00	0.00	13,500.00	0.00
Interest	09/10/2014	3133782N0	1,310,000.00	FHLB Note 0.875% Due 3/10/2017	0.000		5,731.25	0.00	5,731.25	0.00
Interest	09/10/2014	313378WF4	2,800,000.00	FHLB Note 1.125% Due 3/10/2017	0.000		15,750.00	0.00	15,750.00	0.00
Interest	09/13/2014	191216AX8	2,090,000.00	Coca Cola Company Note 0.75% Due 3/13/2015	0.000		7,837.50	0.00	7,837.50	0.00
Interest	09/15/2014	717081DA8	1,550,000.00	Pfizer Inc. Note 5.35% Due 3/15/2015	0.000		41,462.50	0.00	41,462.50	0.00
Interest	09/18/2014	3135G0YM9	950,000.00	FNMA Note 1.875% Due 9/18/2018	0.000		8,906.25	0.00	8,906.25	0.00
Interest	09/21/2014	3133EAY28	1,645,000.00	FFCB Note 0.83% Due 9/21/2017	0.000		6,826.75	0.00	6,826.75	0.00
Interest	09/27/2014	3135G0ZL0	1,325,000.00	FNMA Note 1% Due 9/27/2017	0.000		1,177.78	0.00	1,177.78	0.00
Interest	09/29/2014	3137EADL0	1,050,000.00	FHLMC Note 1% Due 9/29/2017	0.000		5,250.00	0.00	5,250.00	0.00
Interest	09/30/2014	313372YS7	2,150,000.00	FHLB Note 2.45% Due 3/30/2016	0.000		26,337.50	0.00	26,337.50	0.00
Interest	09/30/2014	74005PAR5	740,000.00	Praxair Note 4.625% Due 3/30/2015	0.000		17,112.50	0.00	17,112.50	0.00
Interest	09/30/2014	912828TS9	2,875,000.00	US Treasury Note 0.625% Due 9/30/2017	0.000		8,984.38	0.00	8,984.38	0.00
Interest	09/30/2014	912828UU2	2,835,000.00	US Treasury Note 0.75% Due 3/31/2018	0.000		10,631.25	0.00	10,631.25	0.00
	Subtotal		27,590,000.00				206,122.69	0.00	206,122.69	0.00



Transaction Ledger

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Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
OTHER TRANSACTIONS										
Dividend	09/02/2014	60934N104	-544,402.38	Federated GOVT OBLIG MMF	0.000		1.46	0.00	1.46	0.00
	Subtotal		-544,402.38				1.46	0.00	1.46	0.00
TOTAL OTHER TRANSACTIONS			27,045,597.62				206,124.15	0.00	206,124.15	0.00

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COMPLIANCE WITH INVESTMENT POLICY

Assets managed by Chandler Asset Management are in full compliance with State law and with the City's investment policy.

Category	Standard	Comment
Local Agency Bonds	No Limitation	Complies
Treasury Issues	No Limitation	Complies
Agency Issues	No Limitation	Complies
Banker's Acceptances	40% maximum; <180 days maturity	Complies
Commercial Paper	25% maximum; <270 days maturity; A-1/P-1/F-1 minimum ratings	Complies
Negotiable Certificates of Deposit	30% maximum; 5 years maximum maturity	Complies
Repurchase Agreements	No limitation; 1-year maximum maturity	Complies
Reverse Repurchase Agreements	20% maximum; <92 days maturity	Complies
Medium Term Notes	30% maximum; 5 years maximum maturity; A-rated or better	Complies
Money Market Mutual Funds	20% maximum; AAAf/Aaaf, minimum rating	Complies
Collateralized Certificates of Deposits	5 years maximum maturity	Complies
Time Deposits	5 years maximum maturity	Complies
Mortgage Pass-throughs, CMOs and Asset Backed Securities	20% maximum; AA-rated issue; A-rated issuer	Complies
Local Agency Investment Fund - L.A.I.F.	Maximum program limitation	Complies
Prohibited Securities	Inverse floaters; Ranges notes, Interest- only strips from mortgaged backed securities; Zero interest accrual securities	Complies
Maximum maturity	5 years	Complies
Weighted Average Maturity	3 years	Complies



Holdings Report Glossary

CUSIP (Committee on Uniform Securities Identification Procedures) – A unique identification number assigned to all securities.

Security Description - The issuer name, coupon (periodic interest payment rate) and maturity.

Par Value/Units - The face value or number of units held in the portfolio.

Purchase Date - The settlement date on which the security was purchased.

Book Yield - The YTM that equates the current amortized value of the security to its periodic future cash flows.

Cost Value - The value at which the securities were purchased, excluding purchased interest.

Book Value - The value at which an asset is carried on a balance sheet. To calculate, take the cost of an asset +/- net depreciation/amortization.

Mkt Price - The current fair value market price.

Mkt YTM – The internal rate of return that equates the periodic future cash flows (interest payments and redemption value) to the market price, assuming that all cash flows are invested at the YTM rate.

Market Value - The current fair value of an investment as determined by transactions between willing buyers and sellers.

Accrued Int. - The interest that has accumulated on a bond since the last interest payment up to, but not including, the settlement date.

Item % of Port. - The % of the portfolio that the security represents based on market value, including accrued interest.

Item Unrealized Gain/Loss – The unrealized gain or loss on the security, compared to either cost or amortized value, as of the date of the report.

Item Moody - The Moody's rating for the security.



Holdings Report Glossary (continued)

P - The Standard and Poor's rating for the security.

Term (yrs) - The time, in years, until maturity.

Duration - The weighted average time to maturity of a bond where the weights are the present values of future cash flows. Duration measures the price sensitivity of a bond to changes in interest rates.

BOND PROCEEDS WITH FISCAL AGENTS

Account Name	Account Number	Investment	Issuer	Purchase Date	Maturity Date	Market Value	Stated Rate	Yield	Price	% of Portfolio
Wells Fargo Community Facilities District 87-1 (IA-1)										
special tax funds	22631800	money market fund	WF Govt Fund	09/30/14	10/01/14	991,476	0.01%	0.01%	1.00000	4.152%
interest acct	22631801	money market fund	WF Govt Fund	09/30/14	10/01/14	61	0.01%	0.01%	1.00000	0.000%
reserve fund	22631802	money market fund	WF Govt Fund	09/30/14	10/01/14	2	0.01%	0.01%	1.00000	0.000%
reserve fund	22631804	money market fund	WF Govt Fund	09/30/14	10/01/14	1,028,707	0.01%	0.01%	1.00000	4.307%
admin exp acct	22631805	money market fund	WF Govt Fund	09/30/14	10/01/14	377	0.01%	0.01%	1.00000	0.002%
debt service acct	22631809	money market fund	WF Govt Fund	09/30/14	10/01/14	536,067	0.01%	0.01%	1.00000	2.245%
surplus acct	22631810	money market fund	WF Govt Fund	09/30/14	10/01/14	69,999	0.01%	0.01%	1.00000	0.293%
special tax funds	22631900	money market fund	WF Govt Fund	09/30/14	10/01/14	100,061	0.01%	0.01%	1.00000	0.419%
interest acct	22631901	money market fund	WF Govt Fund	09/30/14	10/01/14	65,249	0.01%	0.01%	1.00000	0.273%
principal fund	22631902	money market fund	WF Govt Fund	09/30/14	10/01/14	230,000	0.01%	0.01%	1.00000	0.963%
reserve fund	22631904	money market fund	WF Govt Fund	09/30/14	10/01/14	365,370	0.01%	0.01%	1.00000	1.530%
admin exp acct	22631905	money market fund	WF Govt Fund	09/30/14	10/01/14	508	0.01%	0.01%	1.00000	0.002%
						3,387,877				
Wells Fargo CFD # 5										
Series B Revenue	22333500	money mkt fund	WF Govt Fund	09/30/14	10/01/14	6,779	0.01%	0.01%	1.00000	0.028%
Series A Principal	22333501	money mkt fund	WF Govt Fund	09/30/14	10/01/14	0	0.01%	2.71%	1.00000	0.000%
Series A reserve	22333502	money mkt fund	WF Govt Fund	09/30/14	10/01/14	0	0.01%	0.01%	1.00000	0.000%
Series B reserve	22333502	cash	cash	09/30/14	10/01/14	0	0.01%	0.01%	1.00000	0.000%
Series B reserve	22333503	money mkt fund	WF Govt Fund	09/30/14	10/01/14	546,077	0.01%	0.01%	1.00000	2.287%
Series B admin fund	22333504	money mkt fund	WF Govt Fund	09/30/14	10/01/14	127	0.01%	0.01%	1.00000	0.001%
						552,983				
Wells Fargo 2007 Redevelopment Agency Tax Allocation Bonds Series A										
debt service fund	22631700	money mkt fund	WF Govt Fund	09/30/14	10/01/14	1	0.01%	0.01%	1.00000	0.000%
interest fund	22631701	money mkt fund	WF Govt Fund	09/30/14	10/01/14	1	0.01%	0.01%	1.00000	0.000%
principal fund	22631702	money mkt fund	WF Govt Fund	09/30/14	10/01/14	0	0.01%	0.01%	1.00000	0.000%
						2				
Wells Fargo 2005 Lease Revenue Bond										
bond fund	18042800	money mkt fund	WF Govt Fund	09/30/14	10/01/14	2	0.01%	0.01%	1.00000	0.000%
interest account	18042801	money mkt fund	WF Govt Fund	09/30/14	10/01/14	0	0.01%	0.01%	1.00000	0.000%
principal account	18042802	money mkt fund	WF Govt Fund	09/30/14	10/01/14	1	0.01%	0.01%	1.00000	0.000%
reserve fund	18042804	money mkt fund	WF Govt Fund	09/30/14	10/01/14	2,992,828	0.01%	0.01%	1.00000	12.532%
						2,992,831				
Wells Fargo 2007 Taxable Lease Revenue Bonds - Electric Utility										
bond fund	22277600	money mkt fund	WF Govt Fund	09/30/14	10/01/14	4	0.01%	0.01%	1.00000	0.000%
interest fund	22277601	money mkt fund	WF Govt Fund	09/30/14	10/01/14	0	0.01%	0.01%	1.00000	0.000%
principal fund	22277602	money mkt fund	WF Govt Fund	09/30/14	10/01/14	0	0.01%	0.01%	1.00000	0.000%
reserve fund	22277603	money mkt fund	WF Govt Fund	09/30/14	10/01/14	0	0.01%	0.01%	1.00000	0.000%
construction fund	22277604	money mkt fund	WF Govt Fund	09/30/14	10/01/14	310,041	0.01%	0.01%	1.00000	1.298%
						310,045				
Wells Fargo 2013 Total Road Improvement COPs										
revenue fund	46612400	money mkt fund	WF Advantage	09/30/14	10/01/14	2	0.01%	0.01%	1.00000	0.000%
reserve fund	46612403	money mkt fund	WF Advantage	09/30/14	10/01/14	0	0.01%	0.01%	1.00000	0.000%
acquisition fund	46612407	money mkt fund	WF Advantage	09/30/14	10/01/14	16,631,848	0.01%	0.01%	1.00000	69.642%
cost of issuance	46612408	money mkt fund	WF Advantage	09/30/14	10/01/14	6,502	0.01%	0.01%	1.00000	0.027%
						16,638,352				
Wells Fargo 2013 Partial Refunding of the 2005 Lease Revenue Bonds										
revenue fund	48360700	money mkt fund	WF Advantage	09/30/14	10/01/14	0	0.01%	0.01%	1.00000	0.000%
						0				
Totals						23,882,090				

Type	Summary of Bond Proceeds with Fiscal Agents	
1	Construction Funds	16,941,889
2	Principal & Interest Accounts	831,386
3	Debt Service Reserve Funds	6,094,520
4	Custody Accounts	0
5	Arbitrage Rebate Accounts	0
6	Other Accounts	14,295
Total Fiscal Agent Funds		23,882,090

CITY OF MORENO VALLEY
Treasurer's Cash and Investments Report

DEFERRED COMPENSATION FUNDS

Nationwide

Fund	Market Value as of Sept 30, 2014	Fund	Market Value as of Sept 30, 2014	Fund	Market Value as of Sept 30, 2014
Liquid Savings	\$1,208,593	Nationwide US Sm Cap Val Ins Svc	3,285	Federated Kaufmann Fund	129,632
Nationwide Fixed (Part Time Employee)	470,672	American Century Balanced	42	Invesco Mid Cap Core Equity	30,951
Liquid Savings (Part Time Employees)	291,634	Am Century Growth	75,971	Nationwide Ret Inc Inst Svc	12,726
Certificates of Deposit 1 year	0	Am Century Select	145,476	Nationwide InvDes Mod Cons Fund SC	55,669
Certificates of Deposit 3 years	6,247	JP Morgan Mid Cap Value A	1,035,542	Nationwide InvDes Mod Aggr Fund	980,363
Certificates of Deposit 5 years	90,274	Vanguard Index 500	128,091	Nationwide InvDes Aggr Fund	93,382
Bond Fund of America	80,175	Vanguard Institutional Index	674,786	Nationwide InvDes Mod Fd	728,979
Growth Fund of America	127,935	Vanguard Wellington	21,978	Nationwide Inv Des Cons	22,452
Investment Co. of America	46,298	Vanguard Windsor II	52,107	Nationwide Large Cap Growth	64,902
Income Fund of America	139,927	Vanguard Total Bond Index	344,341	Nationwide Inter Val Inst Svc	66,816
Brown Cap Mgmt Inc SM Co	60,112	Washington Mutual Inv	100,500	Nationwide Dest 2015 Inst Svc	17,396
Fidelity Independence	2,708	DFA US Micro Cap Port	124,003	Nationwide Dest 2020 Inst Svc	135,719
Fidelity Equity Income	65,796	EuroPacific Growth	364,254	Nationwide Dest 2025 Inst Svc	222,415
Fidelity Magellan	309,629	Stable Fund C	2,588,574	Nationwide Dest 2030 Inst Svc	9,221
Fidelity Puritan	110,248	N B Socially Responsive Fund	50,131	Nationwide Dest 2035 Inst Svc	0
Fidelity Contrafund	301,870	Dtsch High Income Fund A	90,180	Nationwide Dest 2040 Inst Svc	992
Janus Fund	52,583	Dtsch Eq Divd A	79,794	Nationwide Dest 2045 Inst Svc	12,073
Janus Advisor Forty	64,395	Oppenheimer Global Fund A	384,172	Total Nationwide Deferred	\$12,276,011

ICMA

Fund	Market Value as of Sept 30, 2014	Fund	Market Value as of Sept 30, 2014
Aggressive Oppor.	\$87,082	VT Vantagepoint Discovery	5,245
International	247,987	VT Gold Sach Mid Cap Value	3,315
All Equity Growth	204,449	VT Fidelity Contrafund	167,279
Growth and Income	310,669	VT Vantagepoint Overseas Equity Index Fund	155,602
Broad Market	43,883	VT Fidelity Diversified International	126,985
500 Stock Index	267,289	VT Allianz NFJ Div Value	143,989
Equity Income	475,260	Vantage Growth Fund	278,590
MS Retirement Income		VT Fidelity Puritan	7,583
Core Bond	23,781	VT Vantagepoint Select Value	5,499
Cash Management	23,648	VT TR Price Growth Stock Adv	39,454
Plus Fund	884,967	VT Nuveen Real Estate Secs	117,930
Retirement Income Advantage	32,740	VT TR Price Small Cap Value	176,456
Conservative Growth	138,308	VT Vantagepoint MS Ret Inc	30,633
Traditional Growth	190,773	VT Vantagepoint Inflation Protected Securities	71,660
Long-Term Growth	437,429	VT Oppenheimer Main Street	10,858
Milestone 2010	10,068	VT Vantagepoint Mid/Sm Index	48,925
Milestone 2015	993	VT PIMCO Total Return	59,487
Milestone 2020	60,105	VT PIMCO High Yield	70,737
Milestone 2025	35,153	VT Harbor Mid Cap Growth	15,027
Milestone 2030	196	VT Harbor International Admi	
Milestone 2035	20,634	VT TimesSquare Mid Cap Growth Admin	61,839
Milestone 2040	14,503	Total ICMA	\$5,107,010

Summary by Plan

Deferred Compensation Plan	Market Value as of Sept 30, 2014
Total Nationwide	\$12,276,011
Total ICMA	5,107,010
Total Deferred Compensation Plans	\$17,383,021

Summary by Investment Type

Investment Type	Market Value as of Sept 30, 2014
Savings Deposits and CD's	\$4,565,720
Mutual Funds	12,817,301
Total Deferred Compensation Plans	\$17,383,021

BOND MARKET REVIEW

A MONTHLY REVIEW OF
FIXED INCOME MARKETS



WHAT'S INSIDE

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Yield Curve
Current Yields

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A Panacea for California
Code?

Since 1988, Chandler Asset Management has specialized in the management of fixed income portfolios. Chandler's mission is to provide fully customizable, client-centered portfolio management that preserves principal, manages risk and generates income in our clients' portfolios.

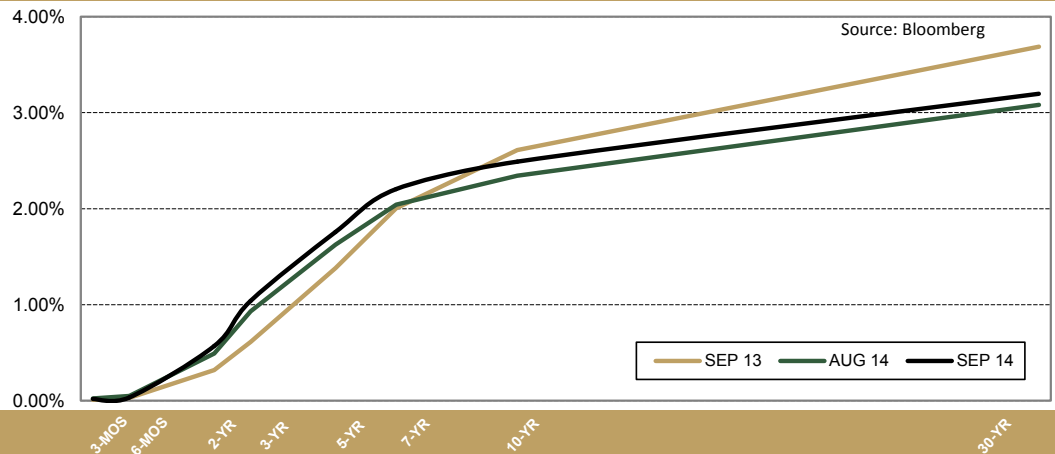
Market Summary

The economy remains on a slow growth trajectory, fueled by job growth. The September employment report was better than expected as payrolls rose by 248,000 versus expectations of 215,000. The unemployment rate declined to 5.9% from 6.1%, but wage growth and the labor participation rate remained weak. The manufacturing sector continues to be strong, with the ISM manufacturing index at 58.6 in September. Consumer spending also remains healthy, and ongoing job growth should support this trend. Housing, on the other hand, has shown the most volatility and is lagging behind other sectors of the economy.

In September, the Federal Open Market Committee left policy rates unchanged and continued to reduce asset purchases, as expected. The Fed noted inflation is running below target, signaling their ongoing capacity to keep interest rates low. More recently, the stronger than expected September employment report gives hawkish Fed members a compelling argument for raising interest rates. However, we believe the majority of FOMC voting members are dovish and will be reluctant to raise rates before the economy is on a sustainable growth path. We continue to believe the Fed isn't likely to start raising rates until the second half of 2015. However, the Fed may remove the "considerable period" language from its next statement. The Fed remains on course to complete the unwinding of quantitative easing this month and the next FOMC meeting is scheduled for October 28-29.

The yield on the two-year Treasury note increased in September, following a modest decline in August. The unwinding of quantitative easing, favorable economic data, and the anticipation of a potential fed funds rate hike next year have put upward pressure on rates, but this has been somewhat offset by geopolitical tensions and sluggish economic growth in Europe.

THE YIELD CURVE FLATTENED IN SEPTEMBER



During the past three months, the yield curve has flattened. Favorable domestic economic data and the anticipation of a potential fed funds rate hike have put upward pressure on shorter rates, while mixed global economic data and geopolitical tensions have kept downward pressure on longer yields.

TREASURY YIELDS	9/30/2014	8/31/2014	CHANGE
3 Month	0.02	0.02	(0.00)
2 Year	0.57	0.49	0.08
3 Year	1.04	0.93	0.11
5 Year	1.76	1.63	0.13
7 Year	2.20	2.04	0.16
10 Year	2.49	2.34	0.15
30 Year	3.20	3.08	0.12

Economic Roundup

Consumer Prices

In August, overall CPI inflation was 1.7% on a year-over-year basis down from 2.0% in July. The year-over-year Core CPI (CPI less food and energy) declined to 1.7% in August from 1.9% in July.

Retail Sales

In August, Retail Sales rose 5.0% on a year-over-year basis versus a gain of 4.2% in July. On a month-over-month basis, Retail Sales were up 0.6% in July, which was in line with expectations. Overall, Retail Sales appear healthy, but not robust.

Labor Market

The September employment report was stronger than expected as nonfarm payrolls rose by 248,000, following gains of 180,000 and 243,000 in August and July, respectively. The consensus forecast for September was 215,000. The net revisions for August and July were +69,000. For the third quarter, payrolls rose 224,000 per month, on average, compared to average growth of 267,000 per month during the second quarter. Private payrolls rose by 236,000 in September while government jobs rose by 12,000. The unemployment rate declined to 5.9% from 6.1%, but the participation rate also ticked down to 62.7% from 62.8%. Wage growth was flat in September, missing expectations for a 0.2% gain.

Housing Starts

Recent housing data has been volatile. Single-family housing starts declined 2.4% in August to 643,000 following an 11.1% gain in July. Multifamily starts declined 31.7% in August after increasing 44.9% in July.

Credit Spreads Widened

CREDIT SPREADS	Spread to Treasuries (%)	One Month Ago (%)	Change
3-month top-rated commercial paper	0.14	0.11	0.03
2-year A corporate note	0.50	0.44	0.06
5-year A corporate note	0.54	0.45	0.09
5-year Agency note	0.05	0.16	(0.11)

Source: Bloomberg

Data as of 9/30/2014

Economic Data Remains Indicative of Modest Growth

ECONOMIC INDICATOR	Current Release	Prior Release	One Year Ago
Trade Balance	(40.1) \$Bln AUG 14	(40.3) \$Bln JUL 14	(39.5) \$Bln AUG 13
GDP	4.6% JUN 14	(2.1)% MAR 14	1.8% JUN 13
Unemployment Rate	5.9% SEP 14	6.1% AUG 14	7.2% SEP 13
Prime Rate	3.25% SEP 14	3.25% AUG 14	3.25% SEP 13
CRB Index	278.55 SEP 14	292.75 AUG 14	285.54 SEP 13
Oil (West Texas Int.)	\$91.16 SEP 14	\$95.96 AUG 14	\$102.33 SEP 13
Consumer Price Index (y/o/y)	1.7% AUG 14	2.0% JUL 14	1.5% AUG 13
Producer Price Index (y/o/y)	2.3% AUG 14	2.9% JUL 14	1.3% AUG 13
Dollar/EURO	1.26 SEP 14	1.31 AUG 14	1.35 SEP 13

Source: Bloomberg

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Supranational Securities: A Panacea for California Code?

At Chandler Asset Management we think it is imperative to review risk tolerance, liquidity needs, and return objectives of the overall investment policy of a program on a regular basis. This year, the annual review process takes on a heightened importance as California Code is expanding the list of eligible investments. In an effort to broaden the types of high quality securities available to investors who follow California Government Code new legislation has been passed, effective January 1, 2015, to allow for investments in Washington DC based Supranational securities. The Supranational asset class has a long history and is imbedded within the Yankee or non corporate component of credit index benchmarks. A Supranational is a multi-national organization whereby member states transcend national boundaries or interests to share in the decision making to promote economic development in the member countries. The statute and a descriptive table are listed below.

Assembly Bill 1933 section 53601 (q): *United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase or sale within the United States. Investments under this subdivision shall be rated “AA” or better by an NRSRO and shall not exceed 30 percent of the agency’s moneys that may be invested pursuant to this section.*

decreased yields, relative to the Treasury asset class, in both bullet and callable structures. The focus of our analysis is on index eligible bonds (250m in par or greater outstanding), but the conclusions regarding valuations and liquidity, in our view, are concurrent regardless of whether the security is index eligible or not. The opportunity set of investments in the Agency asset class has declined materially and the Agency asset class is likely to continue to have a modest presence in broad fixed income indices going forward. Both Fannie Mae and Freddie Mac remain under conservatorship and are mandated by their regulator, the Federal Housing Finance Agency (FHFA), to continue to reduce their size and impact on the residential mortgage market. Over the past several years, the US Congress has introduced numerous bi-partisan bills to transform Fannie Mae and Freddie Mac, but no material progress has been made. In Chandler’s opinion, the FHFA will only make small adjustments to the current operations of Fannie Mae and Freddie Mac and the long-term direction of respective Agencies will be determined by the next presidential administration, at the earliest.

Investors beholden to California Code should consider utilizing all the asset classes eligible under California Code consistent with their individual risk tolerance or be resigned to a portfolio that has a higher percent allocation to the US Treasury sector versus historical norms. We think an investment in the Supranational asset class is very consistent with the overriding theme of safety,

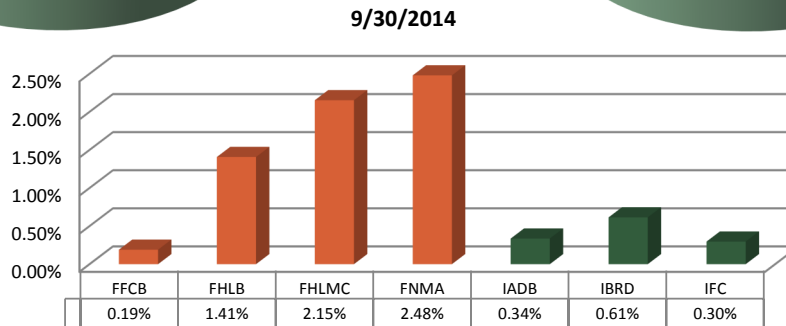
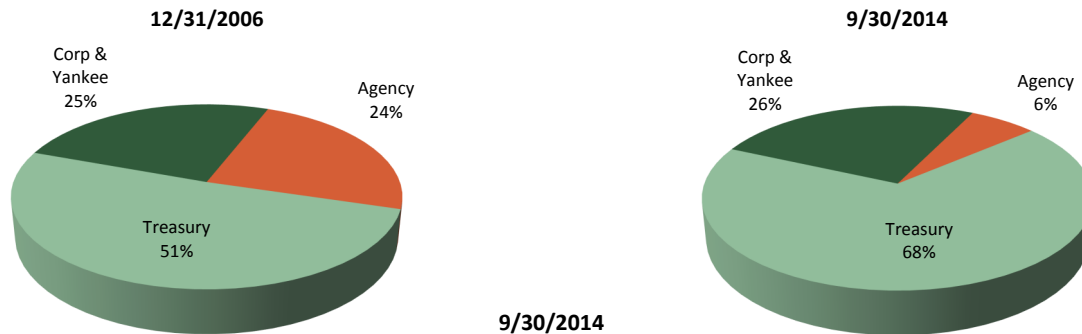
Name	Ticker	Part of World Bank Group	Ownership	Mission	Rating
Inter-American Development Bank	IADB	No	48 Member Countries	Lending operations in the agricultural, energy, and transportation industries	Aaa / AAA / AAA
International Bank for Reconstruction and Development	IBRD	Yes	188 Member Countries	Loans to middle-income developing and low-income countries	Aaa / AAA / AAA
International Finance Corporation	IFC	Yes	184 Member Countries	Lending to the private sector in developing countries	Aaa / AAA

The team at Chandler has highlighted over the past several years the impact of the contracting Agency sector from a safety, liquidity, and yield perspective (see our Newsletters from: March 2014: *Short Maturity Corporate Notes – Worth the Risk?* October 2013: *An Investors Perspective on the Contracting Agency Sector*, and January 2012: *Investing High Quality Portfolios in a Low Interest Rate Environment*). The contracting supply of the Agency sector has pushed up prices and

liquidity, and yield, and would encourage all investors to consider adopting language consistent with Assembly Bill 1933 Section 53601 (q). In Chandler’s opinion, the underlying credit quality of the three new issuers highlighted in the table above is very strong. The Supranational entities becoming eligible within California Code, as of the beginning of the year, are part of the Yankee sub sector within the credit universe of the

Supranational Securities: A Panacea for California Code? (CONTINUED)

Market Value Weight 1-5 Year, Treasury, Agencies, and Corporate & Yankee A-AAA Index



Bank of America Merrill Lynch Family of indices. The aggregate market

weight of the three issuers within the Corporate & Yankee portion of the 1-5 year index is 4.9%, whereas the largest Agency issuers (Fannie Mae, Freddie Mac, Federal Home Loan Bank, and the Federal Farm Credit Bank) make up 95.8% of the Agency 1-5 year index. The percentage weights are heavily diluted down when looking at the combined 1-5 year index (see above bar chart). We take some comfort in the larger allocation of Fannie Mae, Freddie Mac, and Federal Home Loan Bank within the Agency only index (see orange slices in above pie charts), where they make up 38.1%, 33.1%, and 21.7%, respectively, despite the 6% weight in the overall 1-5 Year benchmark.

Although California Code will allow a total allocation of 30% of a portfolio into the Supranational asset class, Chandler would advocate for a more modest allocation to the sector. In our view, given the 'footprint' of the respective securities in the sub and aggregate indices represented in the graphs above, we are correlating Supranational securities with a very high quality Corpo-

rate issuer, as opposed to an Agency security. We would limit the total

exposure to each of the Supranational entities to be consistent with the maximum exposure to the highest quality Corporate issuer within an investment policy. For example, if the maximum exposure for a 'AA' rated Corporate issuer is 5% in an investment policy, a similar maximum exposure would be appropriate for a Supranational entity. At Chandler, we are pleased to see the modest expansion of eligible securities within California Code, but do not view the addition as a 'panacea' to offset the well documented contraction of the Agency sector.

- William Dennehy II, CFA
SVP, Portfolio Manager

Source: Bank of America Merrill Lynch 1-5 Year Treasury, Agency, and US Corporate and Yankee Index

RISKS AND OTHER IMPORTANT CONSIDERATIONS

This report is provided for informational purposes only and should not be construed as specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of publication, but may become outdated or superseded at any time without notice. Any opinions or views expressed are based on current market conditions and are subject to change. This report may contain forecasts and forward-looking statements which are inherently limited and should not be relied upon as an indicator of future results. Past performance is not indicative of future results. This report is not intended to constitute an offer, solicitation, recommendation or advice regarding any securities or investment strategy and should not be regarded by recipients as a substitute for the exercise of their own judgment.

Fixed income investments are subject to interest, credit, and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors. Market risk: the bond market in general could decline in economic conditions, especially during periods of rising interest rates.



APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>R</i>
CITY MANAGER	<i>D</i>

Report to City Council

TO: Mayor and City Council

FROM: Richard Teichert, Chief Financial Officer

AGENDA DATE: December 9, 2014

TITLE: Supplemental Law Enforcement Services Fund (SLESF)
Expenditure Plan for FY 2014-15

RECOMMENDED ACTION

Recommendations:

1. Approve the Supplemental Law Enforcement Services Fund (SLESF) Expenditure Plan for FY 2014-15.
2. Approve a decrease of \$5,804 to the SLESF Grant Fund FY 2014-15 revenue budget (account 2410-60-69-76012-486000) to reflect the total FY 2014-15 allocation of \$319,196.
3. Approve a decrease of \$5,804 to the SLESF Grant Fund FY 2014-15 expenditure budget (account 2410-60-69-76012-620320) to reflect the FY 2014-15 planned expenditure of \$319,196.

SUMMARY

The California Government Code requires City Council's appropriation of Supplemental Law Enforcement Services Fund (SLESF) moneys for frontline municipal police services. Council's approval of the attached Supplemental Law Enforcement Services Fund Expenditure Plan for FY 2014-15 will meet this requirement. The budgetary adjustments being requested will decrease the current FY 2014-15 appropriations for both SLESF revenues and expenditures by \$5,804.

DISCUSSION

The Supplemental Law Enforcement Services Fund (SLESF) provides funds to support frontline law enforcement services. Senate Bill 823 amended the Government Code Sections 30061 and 30063 to require that “The city council shall appropriate existing and anticipated moneys exclusively to fund frontline municipal police services, in accordance with written requests submitted by the chief of police of that city or the chief administrator of the law enforcement agency that provides police services for that city.” City Council’s approval of the attached Supplemental Law Enforcement Services Fund (SLESF) Expenditure Plan for FY 2014-15 will meet this requirement.

The City of Moreno Valley utilizes the SLESF grant to fully fund one (1) sworn police officer assigned to the Career Criminal Apprehension Team (C-CAT) and fund 20.3% of a second sworn C-CAT police officer. The city General Fund will fund the remaining 79.7% of the second C-CAT position in its Special Enforcement Team (SET) budget.

Staff is requesting City Council to approve the expenditure plan and to adjust the FY 2014-15 SLESF budget based on recent notice of detailed calculations from Riverside County Sheriff’s Department.

ALTERNATIVES

1. Approve the attached Supplemental Law Enforcement Services Fund (SLESF) Expenditure Plan for FY 2014-15 and related budgetary adjustments. **Staff recommends this alternative.**
2. Do not approve the attached Supplemental Law Enforcement Services Fund (SLESF) Expenditure Plan for FY 2014-15 and related budgetary adjustments. **Staff does not recommend this alternative as it would jeopardize SLESF funding and impact law enforcement services.**

FISCAL IMPACT

The recommended adjustments will decrease the SLESF budgeted revenues and expenditures by \$10,330 as identified in the following table.

	FY 2014-15 Adopted Budget	FY 2014-15 Adjusted Budget	Change Increase (Decrease)
SLESF Grant Fund			
Grant Revenue (2410-60-69-76012-486000)	\$325,000	\$319,196	(\$5,804)
Expenditures (2410-60-69-76012-620320)	\$325,000	\$319,196	(\$5,804)

CITY COUNCIL GOALS

Public Safety. Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

ATTACHMENTS

1. Supplemental Law Enforcement Services Fund Expenditure Plan 2014-15

Prepared By:
Dena Heald
Financial Operations Division Manager

Department Head Approval:
Richard Teichert
Chief Financial Officer

Concurred By:
Joel Ontiveros
Chief of Police

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Supplemental Law Enforcement Standardized Forms
Expenditure Plan
FY 2014-2015

City Name: City of Moreno Valley

Beginning Fund Balance	-
Prior Yr Allocation	4,525.55
Received in Current Year	314,670.00
Current Year Allocation	319,195.55

EXPENDITURE PLANNED

Salaries and Benefits	319,195.55
Services and Supplies	
Equipment	
Administrative Overhead	
Total Expenditure Planned	319,195.55

Date approved by the City Council: 12/9/2014

The City Manager hereby certifies that the Supplemental Law Enforcement Services Plan was submitted to the City Council and approved as listed.

City Manager Signature _____
Date

Please provide the name of a contact person if there are any questions:

Dena Heald 12/9/2014
Name Date

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>R</i>
CITY MANAGER	<i>D</i>

Report to City Council

TO: Mayor and City Council

FROM: Richard Teichert, Chief Financial Officer

AGENDA DATE: December 9, 2014

TITLE: COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2014

RECOMMENDED ACTION

Recommendation:

1. Receive and file the Comprehensive Annual Financial Report for the fiscal year that ended June 30, 2014.

SUMMARY

The Comprehensive Annual Financial Report (CAFR) for FY2013-14 presents the results of the City's operations and financial position as of June 30, 2014, and is hereby submitted for the City Council's information. The CAFR incorporates all component units of the City including the Moreno Valley Community Services District. A summary of the City's financial position as of June 30, 2014 is provided in Management's Discussion and Analysis (MD&A) beginning on page 5 of the CAFR. The City's financial statements have received an "unqualified" opinion from an independent auditor, indicating their accuracy and compliance with all applicable reporting requirements.

The Finance Sub-Committee reviewed the CAFR at its meeting on December 1 and voted to recommend the receipt and filing of the report by the City Council.

DISCUSSION

The Comprehensive Annual Financial Report (CAFR) for Fiscal Year (FY) 2013-14 presents the audited results of the City's operations and financial position as of June 30, 2014. The submittal of the CAFR to the City Council is an established practice that signifies the completion of the City's annual financial audit and the distribution of the

published annual financial report. The firm Lance, Soll & Lunghard, LLP, CPAs (LSL) of Brea, California, conducted the audit. This is the fourth year of a five-year contract awarded to LSL through the City's Request for Proposals (RFP) process of performing the City's audit. LSL was the City's auditor previously from FY2000-01 through FY2004-05. It is the City's practice to change auditors no less than every five years to ensure independence of the audit function.

The June 30, 2014 CAFR reflects the City's twelfth year of implementing the reporting model required by Governmental Accounting Standards Board (GASB) Statement No. 34, more commonly referred to as "GASB 34". This statement established a financial reporting model for state and local governments in an attempt to make annual financial reports more comprehensive and easier to understand and use. The requirements include a narrative introductory overview and analysis called "Management's Discussion and Analysis"; government-wide financial statements prepared on the full-accrual basis that are in addition to, not instead of, the traditional fund-based statements; and an expanded budget comparison that includes the adopted budget, final budget, and actual revenues and expenditures.

The June 30, 2014 CAFR also illustrates the City's fourth year of implementing the model required by GASB Statement 54 – Fund Balance Reporting and Government Fund Type Definitions. This new standard requires fund balance to be reported in new components/categories. Although the total amount of reported fund balance is unchanged, the new categories and terminology reflect an approach that will focus, not on financial resources available for appropriation within a fund, but on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the fund can be spent.

One of the most important items contained in the CAFR is the Independent Auditors' Report on the financial statements, which is also known as the "Opinion Letter". The auditors have provided the City with an "unqualified" audit opinion, which indicates that the City's financial statements fairly present the financial position of the City. Following is the pertinent text from the "Opinion Letter":

"In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Moreno Valley, California, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, the CSD Zones Special Revenue Fund, the Development Impact Fees Special Revenue Fund, the Housing Authority Special Revenue Fund and the Neighborhood Stabilization Grant Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America."

The CAFR includes the financial results for all component units of the City, which includes the Moreno Valley Community Services District. A separate section of the CAFR is designated for the financial statements of this entity. A summary of the City's

financial position as of June 30, 2014 is provided in Management's Discussion and Analysis beginning on page 5 of the CAFR.

In recognition of its financial reporting excellence, the Government Finance Officers Association of the United States and Canada (GFOA) has awarded a *Certificate of Achievement for Excellence in Financial Reporting* to the City of Moreno Valley for 16 consecutive years. This recognition represents the highest professional governmental accounting award possible. The *Certificate* is also advantageous to the City's reputation with bond rating agencies and to the financial markets overall. The CAFR for FY2013-14 has been submitted to the GFOA and staff anticipates receiving the *Certificate* once again.

The Introductory section of the CAFR includes a listing of City Council Members and Executive Officers. This listing reflects the office holders as of June 30, 2014, which is the ending date of operations as reflected in the CAFR.

The CAFR reports the equity of all funds. The following table illustrates an aggregate increase to the General Fund's fund balance of \$6.2 million as a result of FY2013/14 net activity.

**General Fund
Fund Balances as of June 30th**

	CAFR	CAFR	
	Actual Balance 6/30/13	Actual Balance 6/30/14	Net Change
Fund Balances:			
Nonspendable	\$ 5,497,653	\$ 9,132,415	\$ 3,634,762
Restricted	-	-	-
Committed	2,701,000	2,729,722	28,722
Assigned	646,598	1,156,993	510,395
Unassigned	25,528,774	27,536,445	2,007,671
Total Fund Balance	\$ 34,374,025	\$ 40,555,575	\$ 6,181,550

The net change in the Nonspendable category is primarily attributable to loans to the Development Impact Fee funds of \$3.7M being classified as Nonspendable for CAFR reporting purposes as of 6/30/14 that were classified in prior year as Unassigned. This classification change was due to the loans being amended and extended beyond the original maturity date.

The variance in the Assigned category is primarily attributable to the increase in Continued Appropriations increasing by over \$0.5M over FY 12/13. Also included in this classification is the net change for the Net Unrealized Investment Gain which represents the investments at fair value in the balance sheet at fiscal year-end, as required by Governmental Accounting Standards Board Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools." This statement establishes fair value standards for investments in: (a) participating interest-

earning investment contracts; (b) external investment pools; (c) open-end mutual funds; (d) debt securities; and (e) equity securities, option contracts, stock warrants, and stock rights that have readily determinable fair values. However, since unrealized gains/losses are not available for spending until they are realized, a designation of fund balance is made to indicate that the intent is not to liquidate investments to realize the reported gains/losses in the financial statements.

The net change in the Unassigned category is primarily attributable to the results of FY2013-14 General Fund net activity that was realized as a result of unanticipated revenue increases and public safety expenditure savings.

In compliance with GASB Statement 54, any undesignated fund balance will remain in the Unassigned Category. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The requirements of this statement are effective for financial statements for periods beginning after June 15, 2010 as reflected in the City's CAFR ending June 30, 2014.

The FY2013-14 amended budget, as approved by City Council, anticipated a balanced budget with minimal impact to fund balance for the fiscal year as this was the third and final year of the Three-Year Deficit Elimination Plan. The CAFR ended June 30, 2014 showed an actual improvement of \$6.2 million in General Fund reserves as a result of departments' prudent spending, cost control procedures, and unanticipated increase in tax revenues.

ALTERNATIVES

N/A

FISCAL IMPACT

None

CITY COUNCIL GOALS

Advocacy. Develop cooperative intergovernmental relationships and be a forceful advocate of City policies, objectives, and goals to appropriate external governments, agencies and corporations.

Like the City's budget, the CAFR contains vital financial information about the financial condition of the City, and is an important communications tool regarding City financial policies and practices. It is used by a multitude of financial institutions to understand the City's current financial position and to meet ongoing disclosure requirements relative to the City's long-term debt.

GFOA is the premier association of public sector finance professionals and is dedicated to providing high-quality support to state and local government finance officials. The City has sought the prestigious GFOA *Certificate of Achievement for Excellence in Financial Reporting* primarily because it implies that the City adheres to the highest standards of financial disclosure and reporting.

NOTIFICATION

Publication of the agenda

ATTACHMENTS

Attachment 1: Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2014 (*Document provided under separate cover.*)

Prepared By:
Dena J. Heald
Financial Operations Division Manager

Department Head Approval:
Richard Teichert
Chief Financial Officer

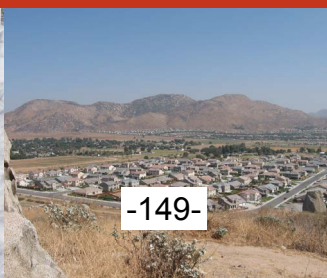
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COMPREHENSIVE ANNUAL FINANCIAL REPORT

This document is currently being finalized and will be presented to Council during the January 6, 2015 meeting.

CITY OF MORENO VALLEY
Fiscal Year Ended June 30, 2014



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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>R</i>
CITY MANAGER	<i>D</i>

Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, P.E., Public Works Director/City Engineer

AGENDA DATE: December 9, 2014

TITLE: AUTHORIZATION TO AWARD AGREEMENT FOR PROFESSIONAL CONSULTANT DESIGN SERVICES TO TRANSPORTATION & ENERGY SOLUTIONS, INC., FOR THE ITS DEPLOYMENT PHASE 1B AND DYNAMIC MESSAGE BOARDS PROJECTS
PROJECT NOS. 808 0015 AND 808 0016

RECOMMENDED ACTION

Recommendations:

1. Approve the Agreement for Professional Consultant Services with Transportation & Energy Solutions, Inc., to provide design services for the ITS Deployment Phase 1B and Dynamic Message Boards projects.
2. Authorize the City Manager to execute the Agreement for Professional Consultant Services with Transportation & Energy Solutions, Inc.
3. Authorize issuance of a Purchase Order to Transportation & Energy Solutions, Inc. in the amount of up to but not to exceed \$265,043 once the Agreement has been signed by all parties.

SUMMARY

This report recommends approval of an agreement with Transportation & Energy Solutions, Inc., for Professional Consultant Services to provide design services for two projects to be designed as a single construction package. The ITS Deployment Phase 1B project will extend the City's Advanced Traffic Management System (ATMS) to 42 signalized intersections and add 25 cameras for traffic surveillance. The Dynamic Traveler Alert Message Boards project will install three Dynamic Message Signs (DMS)

at locations to be determined during design, for the purpose of disseminating travel-time and incident information to drivers on City streets. The project is funded by federal Congestion Mitigation Air Quality (CMAQ), South Coast Air Quality Management District (AQMD) Mobile Source Air Pollution Reduction Review Committee (MSRC) funds, and Measure A as local match.

DISCUSSION

In 2009, the City completed a master plan for deployment of an Intelligent Transportation System (ITS) in Moreno Valley to support active traffic management for the purpose of improving mobility. Subsequently, City staff designed in-house two projects to implement parts of the ITS master plan. Other related activities include construction of a Transportation Management Center in City Hall, and inclusion of Advanced Traffic Management System (ATMS) elements in certain roadway widening projects.

In September 2013, the City Council approved submission of two grant applications for the subject projects, both of which were successful. In August 2014, the City's ITS program was presented to the City Council in Study Session. In September 2014, the City Council authorized staff to proceed with the two subject projects by allocating funding and authorizing the agreement with the funding agency.

Although prior project phases were designed in-house, Public Works does not have the necessary resources to design the projects in a timely manner. Therefore, it is recommended that consultant resources be utilized.

With the DMS relying on the ITS Phase 1B communication system, staff recommends preparing a combined set of drawings for both projects. Consolidating the effort will also result in cost savings, both in design and construction.

Staff issued a Request for Proposals for design of the subject projects on September 30, 2014 with responses due on October 22, 2014. The RFP was sent to firms known to be capable of performing the work, and was posted to the City's Web site. Five responses were received and scored by a committee consisting of two City employees and two outside parties (employees of the City of Riverside, and RCTC). The City invited three firms to an interview, and the selection panel ranked Transportation and Energy Solutions, Inc. (TES), as the best-qualified firm. References were checked and found to be excellent. The City subsequently negotiated the attached agreement with TES and recommends its approval.

ALTERNATIVES

1. Approve and authorize the recommended actions as presented in this staff report. *This alternative will provide for the timely design of the TMC ITS Phase 1B and Dynamic Message Boards projects, thereby improving mobility and incident response for Moreno Valley's constituents.*

2. Do not approve staff's recommended actions. *This alternative will delay project delivery and potentially jeopardize project grant funding.*

FISCAL IMPACT

The capital cost of the improvements is funded by the Capital Projects Grant Reimbursement fund. Expenditures will be reimbursed in accordance with existing grant agreements, up to \$1,541,700 for TMC ITS Deployment Phase 1B and \$340,500 for the Dynamic Message Boards. Upon project completion, operating costs are projected to increase due primarily to the establishment of equipment replacement funds for the new capital equipment. The additional operating costs will be absorbed by the existing Transportation Division operating budget. For further information on forecast operating budget impacts, please refer to the staff reports of July 8 and August 26, 2014, related to these projects.

AVAILABLE BUDGET - FISCAL YEAR 2014/2015:

Capital Projects Grants Fund (Account No. 2301-70-76-80008 / Project No. 808 0015)	<u>\$2,400,000</u>
Capital Projects Grants Fund (Account No. 2301-70-76-80008 / Project No. 808 0016)	<u>\$450,000</u>
Total	<u>\$2,850,000</u>

ESTIMATED PROJECT-RELATED COSTS:

PA&ED (Design Consultant)	\$ 40,000
Design	\$ 225,000
Project Administration*	\$ 50,000
Construction	\$ 2,535,000
Total	<u>\$2,850,000</u>

**Includes City project administration, plans and bidding documents review and approval, printing, and other miscellaneous costs.*

ANTICIPATED PROJECT SCHEDULE:

Complete Preliminary Engineering/Environmental Clearance.....	June 2015
Complete Design.....	December 2015
Complete Construction.....	August 2016

CITY COUNCIL GOALS

PUBLIC SAFETY:

Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

PUBLIC FACILITIES AND CAPITAL PROJECTS:

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

POSITIVE ENVIRONMENT:

Create a positive environment for the development of Moreno Valley's future.

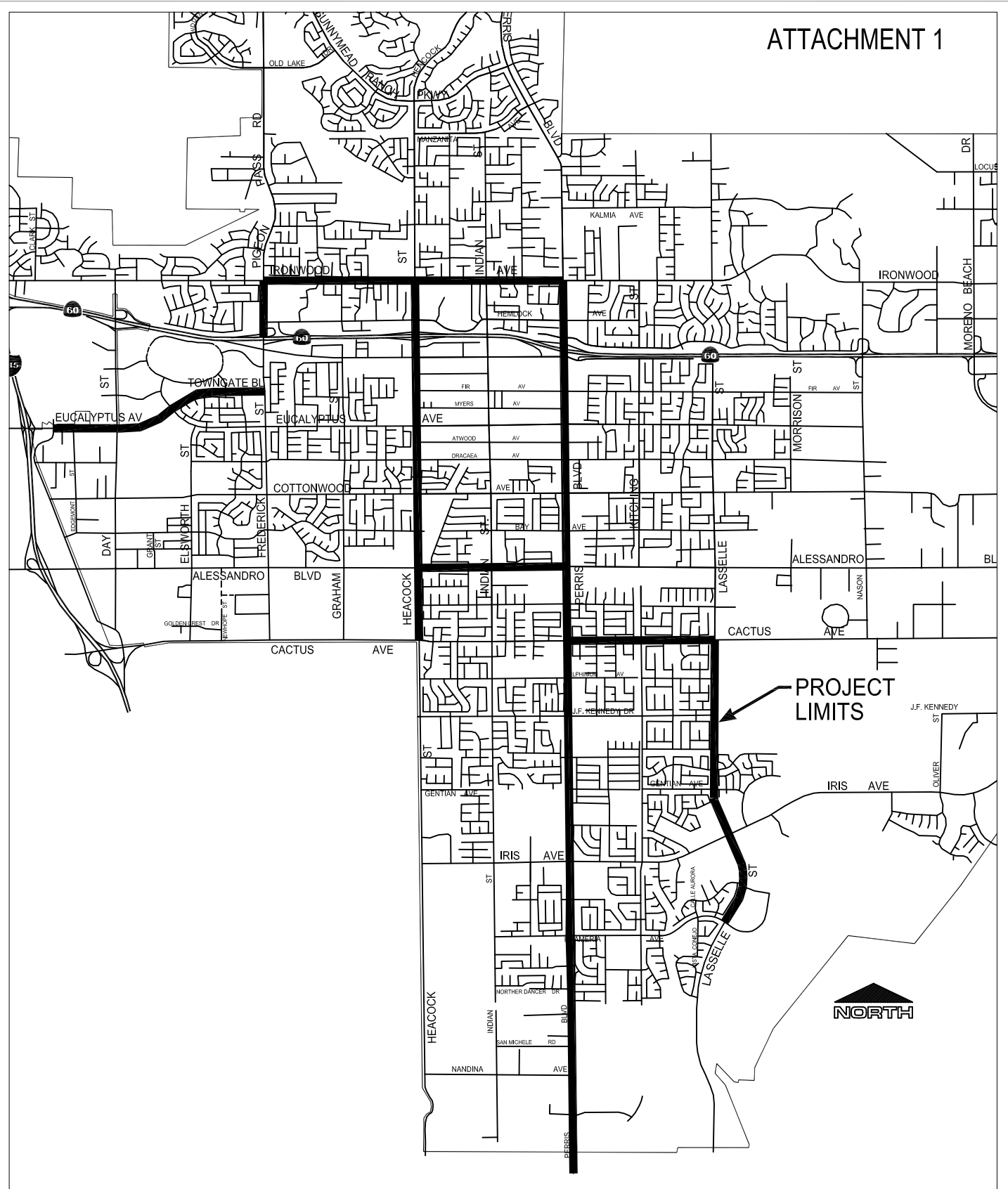
ATTACHMENTS

- Attachment 1: Location Map
- Attachment 2: Agreement for Professional Consultant Services with Transportation & Energy Solutions, Inc.

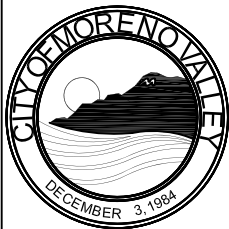
Prepared By:
John Kerenyi, P.E.
Senior Engineer

Department Head Approval:
Ahmad R. Ansari, P.E.
Public Works Director/City Engineer

Concurred By:
Eric Lewis, P.E., T.E.
Transportation Division Manager/City Traffic Engineer



LOCATION MAP



Public Works Department
Transportation Division

TRAFFIC MANAGEMENT CENTER ITS DEPLOYMENT PHASE 1B

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**AGREEMENT FOR DESIGN PROFESSIONAL
CONSULTANT SERVICES
PROJECT NO. 808 0015/0016**

This Agreement is by and between the City of Moreno Valley, California, a municipal corporation, hereinafter described as "City," and Transportation & Energy Solutions, Inc., a California corporation, hereinafter described as "Consultant." This Agreement is made and entered into effective on the date the City signs this Agreement.

RECITALS

WHEREAS, the City has determined it is in the public interest to proceed with the work hereinafter described as "Project"; and

WHEREAS, the City has determined the Project involves the performance of professional and technical services of a temporary nature as more specifically described in Exhibit "A" ("Scope of Work") hereto; and

WHEREAS, the City does not have available employees to perform the services for the Project; and

WHEREAS, the City has requested the Consultant to perform such services for the Project; and

WHEREAS, the Consultant is professionally qualified in California to perform the professional and technical services required for the Project;

THEREFORE, the City and the Consultant, for the consideration hereinafter described, mutually agree as follows:

**AGREEMENT FOR DESIGN PROFESSIONAL CONSULTANT SERVICES
PROJECT NO. 808 0015/0016**

DESCRIPTION OF PROJECT

1. The Project is described as professional consultant design services for:

TMC ITS Deployment Phase 1B (Project No. 808 0015)

AND

Dynamic Traveler Alert Message Boards (Project No. 808 0016)

SCOPE OF SERVICES

2. The Consultant's scope of service is described on Exhibit "A" attached hereto and incorporated herein by this reference.
3. The City's responsibility is described on Exhibit "B" attached hereto and incorporated herein by this reference.

PAYMENT TERMS

4. The City agrees to pay the Consultant and the Consultant agrees to receive a "Not-to-Exceed" fee of \$265,043 in accordance with the payment terms provided on Exhibit "C" attached hereto and incorporated herein by this reference.

TERM OF AGREEMENT

5. This agreement will terminate on December 31, 2016 unless the termination date is extended by an amendment to the agreement.

TIME FOR PERFORMANCE

6. The Consultant shall commence services upon receipt of written direction to proceed from the City.
7. The Consultant shall perform the work described on Exhibit "A" in accordance with the schedule set forth in Exhibit "D" attached hereto and incorporated by this reference.
8. The Consultant and the City agree that the schedule in Paragraph 7 above

**AGREEMENT FOR DESIGN PROFESSIONAL CONSULTANT SERVICES
PROJECT NO. 808 0015/0016**

represents their best estimates with respect to completion dates, and both the Consultant and the City acknowledge that it will not unreasonably withhold approval of the Consultant's requests for extensions of time in which to complete the work required of the Consultant hereunder.

9. The Consultant shall not be responsible for performance delays caused by others or delays beyond the Consultant's reasonable control, and such delays shall extend the time for performance of the work by the Consultant. Delays caused by non-performance or unjustified delay in performance by a subconsultant of the Consultant are not considered to be beyond the Consultant's reasonable control.

10 (a) The Consultant agrees that the key personnel, including the Project Manager, and all subconsultants assigned to the Project by the Consultant, shall be subject to the prior approval of the City.

(b) No change in subconsultants or key personnel shall be made by the Consultant without written prior approval of the City.

SPECIAL PROVISIONS

11. It is understood and agreed that the Consultant is, and at all times shall be, an independent contractor and nothing contained herein shall be construed as making the Consultant or any individual whose compensation for services is paid by the Consultant, an agent or employee of the City, or authorizing the Consultant to create or assume any obligation or liability for or on behalf of the City.

12. The Consultant may also retain or subcontract for the services of other necessary consultants with the prior written approval of the City. Payment for such services shall be the responsibility of the Consultant. Any and all subconsultants employed by the Consultant shall be subject to the terms and conditions of this Agreement, except that the City shall have no obligation

**AGREEMENT FOR DESIGN PROFESSIONAL CONSULTANT SERVICES
PROJECT NO. 808 0015/0016**

to pay any subconsultant for services rendered on the Project.

13. The Consultant and the City agree to use reasonable care and diligence to perform their respective services under this Agreement. Unless hereinafter specified, neither party shall be responsible for the services of the other or any subcontractor or sub-consultant employed by the other party.

14. The Consultant shall comply with all applicable federal, state, and local laws in the performance of work under this Agreement.

15. (a) The Consultant agrees to indemnify, defend, and save the City, the Moreno Valley Housing Authority, the Moreno Valley Community Services District (CSD), and the Riverside County Transportation Commission, their officers, agents and employees harmless from any and all liability, claims, demands, damages, or injuries to any person, including injury to the Consultant's employees and all claims which to the extent arise from or are connected with the negligent performance of or failure to perform the work or other obligations of the Consultant under this Agreement, or to the extent are caused or claim to be caused by the negligent acts of the Consultant, its officers, agents or employees, or its subconsultant(s) or any person acting for the Consultant or under its control or direction; provided, however, that this indemnification and hold harmless shall not include claims arising from the sole negligence or willful misconduct of the City, the Housing Authority, and CSD, their officers, agents or employees.

(b) The City agrees to indemnify, defend and save the Consultant and their officers, agents and employees harmless from any and all liability, claims, damages or injuries to any person, including injury to the City's and CSD's employees and all claims which arise from or are connected with the negligent performance or failure to perform the services or other obligations of the City under this Agreement, or are caused or claim to be caused by the negligent acts of the

**AGREEMENT FOR DESIGN PROFESSIONAL CONSULTANT SERVICES
PROJECT NO. 808 0015/0016**

City, the Housing Authority and CSD, their officers, agents or employees, or its subcontractor(s) or any person acting for the City or under its control or direction; provided, however, that this indemnification and hold harmless shall not include any claims arising from the negligence or willful misconduct of the Consultant, its officers, agents, or employees.

16. (a) The Consultant shall procure and maintain, at its sole expense, throughout the term of this Agreement and any extension thereof, Professional Errors and Omission Insurance coverage in the form and substance and with carriers acceptable to the City. Such coverage limits shall not be less than \$1,000,000 per claim and aggregate.

(b) During the entire term of this Agreement, the Consultant agrees to procure and maintain General Liability Insurance in form and substance and with carriers acceptable to the City at its sole expense to protect against loss from liability imposed by law for damages on account of bodily injury, including death therefrom, suffered or alleged to be suffered by any person or persons whomever, resulting directly or indirectly from any act or activities of the Consultant its sub-consultant or any person acting for the Consultant or under its control or direction, and also to protect against loss from liability imposed by law for damages to any property of any persons caused directly or indirectly by or from acts or activities of the Consultant or its subconsultants, or any person acting for the Consultant or under its control or direction.

(c) Such General Liability Insurance shall be maintained in full force and effect throughout the terms of the Agreement and any extension thereof in the minimum limits provided below:

	<u>General Liability</u>
Bodily Injury	\$1,000,000 per occurrence
Property Damage	\$ 500,000 per occurrence

**AGREEMENT FOR DESIGN PROFESSIONAL CONSULTANT SERVICES
PROJECT NO. 808 0015/0016**

A combined single limit policy with aggregate limits in the amount of \$2,000,000 will be considered equivalent to the above minimum limits.

(d) If the operation under this Agreement results in an increased or decreased risk in the opinion of the City Manager, then the Consultant agrees that the minimum limits hereinabove designated shall be changed accordingly upon request by the City Manager.

(e) The Consultant shall procure and maintain, at its sole expense, and throughout the term of this Agreement and any extension thereof, Public Liability and Property Damage Insurance coverage for owned and non-owned automotive equipment operated on City premises. Such coverage limits shall not be less than \$1,000,000 combined single limit.

(f) The Consultant shall procure and maintain, at its sole expense, Workers' Compensation Insurance in such amounts as will fully comply with the laws of the State of California (\$1 million per accident minimum) and which shall indemnify, insure and provide legal defense for both the Consultant and the City, MVHA, CSD, and the Riverside County Transportation Commission against any loss, claim, or damage arising from any injuries or occupational diseases happening to any worker employed by the Consultant in the course of carrying out the Agreement.

(g) The City of Moreno Valley, Moreno Valley Housing Authority, the Moreno Valley Community Services District, the Riverside County Transportation Commission, their officers, employees, consultants, and agents shall be named as additional insured on all policies of insurance except errors and omissions and worker's compensation.

(h) A Certificate of Insurance and appropriate additional insured endorsement evidencing the above insurance coverage shall be submitted to the City Clerk prior to the execution of this Agreement on behalf of the City.

**AGREEMENT FOR DESIGN PROFESSIONAL CONSULTANT SERVICES
PROJECT NO. 808 0015/0016**

(i) The Certificate of Insurance or an appropriate binder shall bear an endorsement containing the following provisions:

"Solely as respect to services done by or on behalf of the named insured for the City of Moreno Valley, it is agreed that the City of Moreno Valley, the Moreno Valley Housing Authority, the Moreno Valley Community Services District, and the Riverside County Transportation Commission, their officers, employees, consultants, and agents are included as additional insured under this general liability policy and the coverage(s) provided shall be primary insurance and not contributing with any other insurance available to the City of Moreno Valley, the Moreno Valley Housing Authority, and the Moreno Valley Community Services District, its officers, employees and agents, under any third party liability policy."

(j) Insurance companies providing insurance hereunder shall be rated (A minus: VII - Admitted) or better in Best's Insurance Rating Guide and shall be legally licensed and qualified to conduct insurance business in the State of California.

(k) The terms of the insurance policy or policies issued to provide the above insurance coverage shall not be amended to reduce the above required insurance limits and coverages nor shall such policies be canceled by the carrier without thirty (30) days prior written notice by certified or registered mail of amendment or cancellation to the City, except that cancellation for non-payment of premium shall require ten (10) days prior written notice by certified or registered mail. In the event the said insurance is canceled, the Consultant shall, prior to the cancellation date, submit to the City Clerk new evidence of insurance in the amounts established.

**AGREEMENT FOR DESIGN PROFESSIONAL CONSULTANT SERVICES
PROJECT NO. 808 0015/0016**

17. During the performance of this Contract, Consultant and its subconsultant shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (e.g., cancer), age (over 40), marital status, and denial of family care leave. Consultant and subconsultants shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Consultant and subconsultants shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Contract by reference and made a part hereof as if set forth in full. Consultant and its subconsultants shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

Consultant shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Contract.

18. Consultant and subconsultants shall pay prevailing wage rates when required by the Labor Laws of the State of California.

19. (a) The Consultant shall deliver to the Public Works Director/City Engineer of the City or his/her designated representative, immediately upon request in both hard copy and electronic format, all documents, drawings, models, presentation materials, renderings, calculations, specifications, permits and permit-related documents, surveys, materials tests,

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geotechnical reports, etc., if available, developed to date for the City's project and any other City-provided documents, which shall become the property of the City. The Consultant may retain for its files, at its expense, copies of any and all materials, including drawings, documents, and specifications, produced by the Consultant in performance of this Agreement. It shall be understood that the City shall be the owner of all project-related documents and drawings at all times and during all phases of the project. The City reserves the right to ask for a hard copy and/or an electronic copy of the documents developed to date at any time during the period of this agreement.

(b) The Consultant shall be entitled to copies of all furnished materials for his files and his subconsultants, if any, for professional services related to the City's project.

(c) The City agrees to hold the Consultant free and harmless from any claim arising from any unauthorized use of computations, maps, and other documents prepared or provided by the Consultant under this Agreement, if used by the City on other projects without the permission of the Consultant. Consultant acknowledges that Consultant work product produced under this agreement may be public record under State law.

20. (a) The City may terminate this Agreement without cause on the part of Consultant by giving at least ten (10) days written notice to the Consultant. The written notice shall specify the date of termination. Upon receipt of such notice, the Consultant may continue services on the project through the date of termination, provided that no service(s) shall be commenced or continued after receipt of the notice, which is not intended to protect the interest of the City. The City shall pay the Consultant within thirty (30) days after the date of termination for all non-objected to services performed by the Consultant in accordance herewith through the date of termination.

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(b) Upon notice of termination, the Consultant shall deliver to the Public Works Director/City Engineer of the City or his/her designated representative, in both hard copy and electronic format, all documents, drawings, models, presentation materials, renderings, calculations, specifications, permits and permit-related documents, surveys, materials tests, geotechnical reports, etc., if available, developed to date for the City's project and any other City-provided documents, which shall become the property of the City. The Consultant may retain for its files, at its expense, copies of any and all materials, including drawings, documents, and specifications, produced by the Consultant in performance of this Agreement. It shall be understood that the City shall be the owner of all project-related documents and drawings, regardless of the completeness of said documents.

(c) The Consultant shall be entitled to copies of all furnished materials for his files and his subconsultants, if any, for professional services related to the City's project.

(d) The City agrees to hold the Consultant harmless from any claim arising from any unauthorized use of computations, maps, and other documents prepared or provided by the Consultant. Consultant acknowledges that Consultant work product produced under this Agreement may be public record under State law.

(e) Either party may terminate this Agreement for cause. In the event the City terminates this Agreement for cause, the Consultant shall perform no further service(s) under the Agreement unless the notice of termination authorizes such further work.

21. This Agreement is binding upon the City and the Consultant and their successors and assigns. Except as otherwise provided herein, neither the City nor the Consultant shall assign, sublet, or transfer its interest in this Agreement or any part thereof without the prior written consent of the other.

**AGREEMENT FOR DESIGN PROFESSIONAL CONSULTANT SERVICES
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22. A City representative shall be designated by the City and a Consultant representative shall be designated by the Consultant. The City representative and the Consultant representative shall be the primary contact person for each party regarding performance of this Agreement. The City representative shall cooperate with the Consultant, and the Consultant's representative shall cooperate with the City in all matters regarding this Agreement and in such a manner as will result in the performance of the services in a timely and expeditious fashion.

23. This Agreement represents the entire and integrated Agreement between the City and the Consultant, and supersedes all prior negotiations, representations or Agreements, either written or oral. This Agreement may be modified or amended only by a subsequent written Agreement signed by both parties.

24. Where the payment terms provide for compensation on a time and materials basis, the Consultant shall maintain adequate records to permit inspection and audit of the Consultant's time and materials charges under this Agreement. The Consultant shall make such records available to the City at the Consultant's office during normal business hours upon reasonable notice. Nothing herein shall convert such records into public records. Except as may be otherwise required by law, such records will be available only to the City. Such records shall be maintained by the Consultant for three (3) years following completion of the services under this Agreement.

25. The City and the Consultant agree that, to the extent permitted by law, until final approval by the City, all data shall be treated as confidential and will not be released to third parties without the prior written consent of both parties.

26. The Consultant shall employ no City official or employee in the work performed pursuant to this Agreement. No officer or employee of the City shall have any financial interest in

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this Agreement in violation of federal, state, or local law.

27. Subject to the provisions of Section 19 (a) above, all plans, drawings, specifications, reports, logs, and other documents prepared by the Consultant in its performance under this Agreement shall, upon demand by the City, be delivered to and become the property of the City for the limited use as set out above, provided that the Consultant shall be entitled, at its own expense, to make copies thereof for its own use.

28. The laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement, and shall also govern the interpretation of this Agreement. Venue shall be vested in the Superior Court of the State of California, County of Riverside.

SIGNATURE PAGE FOLLOWS

SAMPLE

**AGREEMENT FOR DESIGN PROFESSIONAL CONSULTANT SERVICES
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IN WITNESS HEREOF, the parties have each caused their authorized representative to execute this Agreement.

City of Moreno Valley

Transportation & Energy Solutions, Inc.

BY: _____
City Manager

BY: _____

Date

TITLE: _____
(President or Vice President)

Date

BY: _____

TITLE: _____
(Corporate Secretary)

Date

APPROVED AS TO LEGAL FORM:

City Attorney

DATE: _____

- Attachments:
- Exhibit "A" – Scope of Work
 - Exhibit "B" – City's Responsibility
 - Exhibit "C" – Terms of Payment
 - Exhibit "D" – Consultant's Schedule

EXHIBIT A

**SCOPE OF WORK FOR TMC ITS DEPLOYMENT PHASE 1B
AND DYNAMIC TRAVELER ALERT MESSAGE BOARDS**

Environmental Clearance:

Natural Environment Study – Minimal Impact NES-MI): The NES-MI will be prepared in accordance with Caltrans requirements and include a survey of the areas proposed for disturbance. There will be few areas that will require ground disturbance. The NES-MI will include a description of the project, study methods, the setting of the biological conditions, and environmental setting. A Multi-Species Habitat Conservation Plan (MSHCP) consistency discussion based on an analysis that will be included in a memorandum and attached to the NES-MI, project impacts, and mitigation measures. The MSHCP consistency memorandum will provide sufficient information to discuss the project's consistency with the MSHCP. Permits are not anticipated or included. The appendix for the NES-MI will include a summary of the findings, database searches and site photographs. One preliminary and one final report will be prepared.

Air Quality Study: An Air Quality and Greenhouse Gas Impact Analysis Letter Report (Report) to assess potential CEQA impacts and Federal Conformity will be prepared. The Report will include potential air emissions associated with the project would occur during construction activities. The construction activities would result in a few areas that would require soil disturbance. Since the project would not result in an increase in traffic, the analysis will focus on construction-related impacts only. The analysis will use the Caltrans Standard Environmental Reference guidance for content and analysis procedures. Based on the nature of the project, a regional conformity analysis should not be required and is not included. A project-level conformity evaluation will be prepared and will include a qualitative discussion of toxic air contaminants (mobile source air toxics, naturally occurring asbestos, and diesel particulate matter).

The Report will include a CEQA analysis using the South Coast Air Quality Management District's CEQA and Federal Conformity Guidelines. Air quality and greenhouse gas emissions generated by project construction will be quantified using the CalEEMod computer model. This task includes one round of comprehensive emissions modeling. The Report will include an analysis of the project's contribution to greenhouse gases. The Climate Action Program Report published by Caltrans will be reviewed to determine if any strategies are applicable for the project. Chapter 13 – Energy, in the Caltrans guidance and the guidance in the Amended CEQA Guidelines will also be utilized. One preliminary and one final report will be prepared.

Preliminary Environmental Study (PES): The PES will be prepared in accordance with the Caltrans PES Form Checklist. Brief responses to each question on the PES form will be provided. A summary of the findings of the NES-MI and the Air Quality Study will be provided. One preliminary and one final report will be prepared.

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Categorical Exemption/Categorical Exclusion (CE/CE): The CE/CE determination form for the proposed project will be prepared. As part of the form, FCS will include a narrative discussion of the design elements that are included as part of the project. An electronic version of the Draft CE/CE will be provided to the City, which can forward it to Caltrans for review. After receipt of comments, CE/CE will be finalized and a Final CE/CE with the attached technical reports will be submitted to the City for Caltrans submittal.

Meetings: Meetings will include the kickoff meeting, coordination meetings with City staff (3 total), Caltrans (3 total), SCE/City utility, and other stakeholders as needed. In addition, meeting attendance will include up to two night meetings to present the DMS locations and design to the Traffic Safety Commission and City Council. City staff will be interviewed during the kick-off meeting and subsequent phone calls to gain better understanding of City objectives and project specifics. Agendas and minutes will be prepared and circulated for each meeting (via e-mail).

Data Collection: A request letter will be sent to the City project manager prior to the kick-off meeting. The letter will identify materials and information to be provided by the City. The request will include record drawings for traffic signals, roadway work (for utility and right-of-way info), aerial surveys, existing fiber optic infrastructure at tie-in locations, utility contact list, and other relevant material. For DMS planning, we will also request other data such as ADT, Peak Hour Traffic, accident data, and availability of ROW near preliminary sites.

DMS Planning: Based on preliminary site review, a number of possible DMS locations will be identified and discussed with City staff. Based on direction and site data obtained from the City, the number of sites will be narrowed down. Field research will be conducted for the shortlisted sites, which will include availability of route options, line-of-sight and visibility, competing signs or distractions, time necessary by motorists to read the sign, comprehend and make a decision, necessary over-hang above travel-way, necessary size of sign, nearby availability of electric service, location of CCTV to view sign, possible impact of direct sun light, potential opposition from adjacent property owners, and other similar factors. A preliminary cost of infrastructure will be estimated for the recommended and alternate sites. TES will conduct a walk-through of these locations with City staff. A Preliminary DMS Location Technical Report will be presented to the Traffic Safety Commission and the City Council. Upon receiving their input, the report will be revised to and a Final Report will be submitted.

DMS Structure and Foundation: The DMS structure for this project will be based on an approved standard by the City of Los Angeles or other agency. The DMS structure and foundation standard will be reviewed in concept by a structural engineer to check compliance with current code and suitability with the DMS selected for this project. The project technical provisions will require a structure and foundation that meets or exceeds the selected standard, and require that the Contractor provide calculations during submittals. The structural engineer will also review design calculations provided by the Contractor during submittals

Base Mapping: Base mapping will be prepared for each fiber optic segment (inclusive of CCTV

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installation and cabinet replacements), CCTV in Caltrans R/W, the Caltrans communication intertie, and DMS locations. Base maps will be based on City furnished ACAD and hardcopy as-builts, aerials, and field work. Base maps will include existing striping layout (no dimensions), utilities and surface conditions (concrete, grass, landscape, etc.) in the vicinity of all work requiring excavation, and existing facilities (conduit, pull boxes, cabinets, etc.) that are important to the design. Surface culture (topography) will be shown on DMS, CCTV in Caltrans R/W, and the Caltrans communication intertie base maps.

Utility Company Coordination: Following completion of base mapping, one full size plan set will be provided to the City for utility notifications. City will be responsible for reproduction. City will send out utility notification letters, track responses, and provide all received information to TES. Utility information and requirements received will be incorporated into the design. Final utility letters will not be sent. One set of full size plan set or PDFs (as required by each utility) will accompany the final utility letter. City will track utility company responses and provide timely status to TES. City will forward all utility company coordinate/plans to TES promptly. TES will follow-up with non-responsive utilities. This task includes coordination with SCE or the City electrical utility to determine the service feed point (or existing service cabinet) needed for each DMS location.

CCTV Planning: All 25 CCTV locations will be reviewed in the field to determine the optimal location for camera placement. The recommended camera placements at each location will be presented to the City at a field walk. Following the field walk, a list of recommended camera locations and rationale will be submitted to the City for approval.

Wireless Line of Sight: A line-of-sight survey will be conducted for the installation of spread spectrum radios antennas along the required segments on Eucalyptus Avenue and Alessandro Boulevard. This will comprise of an initial site review and a final signal testing using a Site Survey Kit. A brief report will be prepared and include findings and recommended sites and submitted to the City for approval.

Fiber Optic Assignment, Splicing and Terminations: Fiber optic assignment, splicing, and termination strategy for this project will be identified on the plans based on discussion with City staff, review of previous projects, existing fiber assignments, and communication hardware at the TMC.

Plans: The following plans will be prepared for this project:

Title sheet: A project title sheet will be prepared similar to the Phase 1A title sheet, and will include an overall project map, sheet index, general notes, alerts, and utility contact information.

ITS Installation Plans (1"=40'): ITS installation plans will be prepared using the base mapping previously detailed for the installation of fiber optic cable from each tie-in location to end location, including all laterals, splices, hardware and equipment needed to construct a functional communication system complete from TMC to each traffic signal. CCTV installation and new cabinet installation will also be shown on the ITS installation plans. ITS installation plans will include construction notes, legends, plan specific details, and 20 scale details as needed to clearly show the work.

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DMS Installation Plans (1"=40'): DMS installation plans will be prepared using the base mapping previously detailed for the installation of the DMS, structure, cabinet, conduits, service cabinet, and cabling associated with each DMS location. DMS installation plans will include construction notes, legends, plan specific details, and 20 scale details as needed to clearly show the work.

Wireless Communication Details (Not-to-scale)(NTS): Wireless communication details will be prepared for the installation of antennas and hardware at 5 traffic signals. Antenna locations will be based on line of sight analysis. Installation of antennas and hardware at the two tie-in locations will be shown on the ITS installation plans.

Fiber Optic Assignment, Splicing, and Termination Details (NTS): Fiber optic assignments, splicing and termination details will be prepared for each traffic signal, CCTV, DMS, and splice cabinet location. The details will also include communication/hardware Block diagrams. These diagrams will include identification of all communication and CCTV hardware, associated cabling, and tie-in to the fiber optic cable. Details that apply to multiple locations will be shown once, with each location listed below the detail.

Miscellaneous Details (NTS): The plan set will include miscellaneous details as determined appropriate. Details may include replacing an existing #5 pull box with new #6 pull box, handling/positioning the splice closure within the P48 pull box, camera mounting and position on a traffic signal pole, wireless antenna mounting, etc. Details may be shown on other plan sheets or stand-alone detail sheets.

Traffic Control Plans (1"=40'): Detailed traffic control plans will be prepared as needed for the Caltrans encroachment permit. Traffic control plans will include lane closures, detours, and all traffic control devices needed to establish the work area within Caltrans R/W.

Plans will be prepared using ACAD software. Design will conform to the applicable Caltrans Standards and California MUTCD (latest edition), Caltrans Local Assistance requirements for federally funded projects, City standards and specifications, and any other applicable standards. All engineering plans will be prepared under direct, hands-on supervision and sealed by our project manager who is a registered civil engineer in the State of California. Plans will be submitted at 60%, 90% and 100% levels of completion. Signed mylar plans will be submitted following City approval of the 100% submittal. Two hardcopies of the plans will be submitted at 60% and 90%.

Technical Provisions: Project technical provisions will be prepared using the standard City boilerplate as a base, and will include all Contractor furnished and installed equipment not included in the City boilerplate (based on City furnished system/product requirements), the construction schedule, bid item descriptions, and bid list. Technical provisions will be included with the 90% and 100% submittals. The technical provision submittals will be made using PDF format or Word format as determined by the City. City will prepare procurement specifications (if needed), or utilize contingency for TES to prepare.

Estimates: Detailed estimates will be prepared using Excel to breakdown the unit cost and lump sum

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bid items. Quantities take-off will involve full counting/highlighting off of all work shown on the plans and identified in the special provisions. Estimates of constructed cost for various work elements will be based on recent TES project bid opening tabs, Phase 1A costs, material provided by the City, and discussions with potential contractors. Estimates (PDF or Excel) will be included with the 60%, 90%, 100% and final submittal.

Caltrans Encroachment Permit: This task includes up to 3 meetings with Caltrans and researching Caltrans records for as-built drawings. City will prepare and submit the encroachment permit application, with TES assistance. TES will provide hardcopy plans as needed for all Caltrans submittals.

Bid & Construction Support: Four hours of bid and construction support have been included in our base fee. Support activities could include answering contractor questions, attending the pre-bid meeting, preparing bid tabs, responding to RFIs, reviewing submittals, field meetings, review of fiber optic test results, etc. In the event, more assistance is needed, it would be considered additional services and provided at the same hourly rates or as negotiated.

Record Drawings: Plans will be updated per the Contractor's redlines provided by the City. Record drawings will be field confirmed by TES (except for fiber splices). Record drawings will be submitted in PDF format for City review, and mylars following City approval.

Contingency Items: Project contingency includes the following tasks. Work on these tasks requires approval from the City project manager.

- **FCS Caltrans Assistance:** This contingency covers additional reviews (beyond first and second submittal) for environmental reports to Caltrans.
- **Assist City with DMS Procurement:** This will involve evaluation of various DMS manufacturers and products and narrowing it down to a maximum of 3 vendors and their specific products for the City. A final recommendation for the best product for the City will also be made. The process will include assisting the City with the final procurement of the DMS for later installation by the Contractor (to be delivered just in time by the vendor).
- **FCS Section 106 Compliance Evaluation:** A Section 106 compliance evaluation may be typically needed when construction occurs in areas of undisturbed soils and federal funding is involved. The PES will determine whether this is needed.
- **Preparation of DMS Procurement Spec:** If the City decides to use a DMS Procurement Spec instead of direct evaluation and procurement, a DMS procurement specification will be prepared. It will be used to request bids based on the specifications instead of product/vendor evaluation and analysis.

EXHIBIT B

CITY - SERVICES TO BE PROVIDED TO CONSULTANT

1. Furnish the Consultant all in-house data which is pertinent to services to be performed by the Consultant and which is within the custody or control of the City, including, but not limited to, copies of record and off-record maps and other record and off-record property data, right-of-way maps and other right-of-way data, pending or proposed subject property land division and development application data, all newly developed and pertinent design and project specification data, and such other pertinent data which may become available to the City.
2. Provide timely review, processing, and reasonably expeditious approval of all submittals by the Consultant.
3. Provide timely City staff liaison with the Consultant when requested and when reasonably needed.

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EXHIBIT C

TERMS OF PAYMENT

1. The Consultant's compensation shall not exceed \$265,043.
2. The Consultant will obtain, and keep current during the term of this Agreement, the required City of Moreno Valley business license. Proof of a current City of Moreno Valley business license will be required prior to any payments by the City. Any invoice not paid because the proof of a current City of Moreno Valley business license has not been provided will not incur any fees, late charges, or other penalties. Complete instructions for obtaining a City of Moreno Valley business license are located at: http://www.moval.org/do_biz/biz-license.shtml
3. The Consultant will electronically submit an invoice to the City once a month for progress payments along with documentation evidencing services completed to date. The progress payment is based on actual time and materials expended in furnishing authorized professional services during the preceding calendar month. At no time will the City pay for more services than have been satisfactorily completed and the City Engineer's determination of the amount due for any progress payment shall be final. The consultant will submit all original invoices to Accounts Payable staff at AccountsPayable@moval.org. Accounts Payable questions can be directed to (951) 413-3073. Copies of invoices may be submitted to the Capital Projects Division at reneh@moval.org or calls directed to (951) 413-3130.
4. The Consultant agrees that City payments will be received via Automated Clearing House (ACH) Direct Deposit and that the required ACH Authorization form will be completed prior to any payments by the City. Any invoice not paid because the

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completed ACH Authorization Form has not been provided will not incur any fees, late charges, or other penalties. The ACH Authorization Form is located at:

http://www.moval.org/city_hall/forms.shtml#bf

5. The minimum information required on all invoices is:
 - A. Vendor Name, Mailing Address, and Phone Number
 - B. Invoice Date
 - C. Vendor Invoice Number
 - D. City-provided Reference Number (e.g. Project, Activity)
 - E. Detailed work hours by class title (e.g. Manager, Technician, or Specialist), services performed and rates, explicit portion of a contract amount, or detailed billing information that is sufficient to justify the invoice amount; single, lump amounts without detail are not acceptable.

6. The City shall pay the Consultant for all invoiced, authorized professional services within forty-five (45) days of receipt of the invoice for same.

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EXHIBIT D

PROJECT SCHEDULE

The Consultant shall adhere to the following milestone schedule:

<u>Milestone</u>	<u>Date</u>
§ Project Kick-off:	January 2 nd , 2015
§ 30% Design Submittal/DMS Final Report	April 15 th , 2015
§ Environmental Draft Reports	April 30 th , 2015
§ Environmental Final Reports	June 10 th , 2015
§ 60% Design Submittal	July 8 th , 2015
§ 90% Design Submittal	August 26 th , 2015
§ 100% Design Submittal	October 7 th , 2015
§ Final Mylars/PS&E Package Submittal	November 4 th , 2015
§ Caltrans Encroachment Permit	October-December, 2015
§ PS&E Bid	January 2 nd , 2016



APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>R</i>
CITY MANAGER	<i>D</i>

Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, P.E., Public Works Director/City Engineer

AGENDA DATE: December 9, 2014

TITLE: ACCEPTANCE OF CYCLE 1 ACTIVE TRANSPORTATION PROGRAM (ATP) GRANT AND FUNDING APPROPRIATION FOR THE CITYWIDE SAFE ROUTES TO SCHOOL PEDESTRIAN FACILITY IMPROVEMENTS PROJECT

RECOMMENDED ACTION

Recommendations:

1. Accept the California Active Transportation Program (ATP) Cycle 1 grant award of up to \$1,640,000 in funds for the Citywide Safe Routes to School Pedestrian Facility Improvements project.
2. Authorize the Chief Financial Officer to appropriate \$1,640,000 as revenue and expense in the Capital Projects Reimbursements fund (Fund 2301), and \$95,000 as expense in the Measure A Fund (Fund 2001) for the Citywide Safe Routes to School Pedestrian Facility Improvements project.
3. Amend the Fiscal Year 2014/2015 Adopted Capital Improvement Plan to include the Citywide Safe Routes to School Pedestrian Facility Improvements project as a funded project.

SUMMARY

This report requests City Council to accept the \$1,640,000 ATP grant award from the California Department of Transportation, appropriate funds for the Citywide Safe Routes to School Pedestrian Facility Improvements project, and amend the Fiscal Year 2014/2015 Adopted Capital Improvement Plan to include the Citywide Safe Routes to School Pedestrian Facility Improvements project as a funded project.

DISCUSSION

The Active Transportation Program (ATP) was created by California Senate Bill 99 (Chapter 359, Statutes of 2013) and California Assembly Bill 101 (Chapter 354, Statutes of 2013) to encourage increased use of active modes of transportation, such as biking and walking. The ATP consolidates existing federal and state transportation programs, including the Transportation Alternatives Program (TAP), Bicycle Transportation Account (BTA), and State-funded Safe Routes to School (SR2S) Program, into a single program that is annually funded by approximately \$129 million of various state and federal funds from appropriations in the annual Budget Act. Eligible projects for ATP grant funding include pedestrian facilities, traffic control devices, bicycle facilities, and recreational trails.

At the May 13, 2014 City Council meeting, City Council approved the submittal of the Citywide Safe Routes to School Pedestrian Facility Improvements grant application for Cycle 1 ATP. Statewide, the California Department of Transportation (Caltrans) received approximately 770 ATP grant applications from cities and counties across California, totaling nearly \$1 billion in project requests. On August 21, 2014, the California Transportation Commission (CTC) selected and adopted 148 biking and walking projects in the state's 2014 Active Transportation Program, including the City of Moreno Valley Citywide Safe Routes to School Pedestrian Facility Improvements project. On September 27, 2014, Caltrans notified the City of their successful ATP grant application in the amount of \$1,640,000.

The Citywide Safe Routes to School Pedestrian Facility Improvements project will fund the following infrastructure and non-infrastructure improvements:

- A. Installation of approximately 700 feet of missing-link sidewalk with new curb, gutter, street lights, and radar speed feedback signs on Dracaea Avenue, near Bear Valley & Moreno Elementary Schools, Mountain View Middle School, and Valley View High School.
- B. Installation of approximately 700 feet of missing-link sidewalk with new curb, gutter, street lights, and radar speed feedback signs on Eucalyptus Avenue, near Bear Valley & Moreno Elementary Schools, Mountain View Middle School, and Valley View High School.
- C. Installation of approximately 670 feet of missing-link sidewalk with new curb, gutter, ADA-compliant pedestrian access ramps and street lights on Sandy Glade Avenue and radar speed feedback signs on Davis Street, near Midland Elementary School.
- D. Installation of approximately 400 feet of missing-link sidewalk with new curb, gutter, ADA-compliant pedestrian access ramps, street lights, and radar speed feedback signs on Ironwood Avenue and Kitching Street, near Cloverdale Elementary School.

- E. Installation of approximately 370 feet of missing-link sidewalk with new curb, gutter, ADA-compliant pedestrian access ramps, street lights, and radar speed feedback signs on Elsworth Street, near Towngate Elementary School.
- F. Implementation of the following Safe Route to School educational activities at the subject school sites, include:
- Preparing a video/Public Service Announcement (PSA) project designed to encourage students to engage in safer walking and bicycling behaviors;
 - Working with professional bicycle safety trainers to hold bicycle safety skill classes;
 - Conducting a pedestrian and bicycle safety promotional campaign with flyers, banners, posters and advertising;
 - Engaging the Moreno Valley Police Department to increase enforcement within two miles of the subject school campuses.

Per the provisions of the ATP grant, the City is required to use its own funds to implement the project and then receive reimbursement progress payments. The Citywide Safe Routes to School Pedestrian Facility Improvements project is not currently listed in the Fiscal Year 2014/2015 Capital Improvement Plan (CIP) and is currently unfunded. Staff is requesting City Council authorize the appropriation of \$1,640,000 as revenue and expense in the Capital Projects Reimbursements fund (Fund 2301) for this project and authorize amendment of the Fiscal Year 2014/2015 Adopted CIP to include the Citywide Safe Routes to School Pedestrian Facility Improvements project as a funded project.

Caltrans informed the City that the project will be federally funded, and not state-only funded as anticipated by staff for typical Safe Routes to School projects. All federally funded projects require additional environmental studies to obtain National Environmental Policy Act (NEPA) clearance, which are normally not required for state-only funded projects. This change in the type of funding source results in an underestimated cost of the Project Approval & Environmental Documentation (PA&ED) phase, and requires up to \$95,000 for the costs of the additional environmental studies, in addition to the \$1,640,000 total cost of the project. Staff is requesting City Council authorize the appropriation of \$95,000 as expense in the Measure A fund (Fund 2001) for the PA&ED phase of the project.

ALTERNATIVES

1. Approve and authorize the recommended actions as presented in this staff report. *This alternative will allow the City to receive the Cycle 1 ATP reimbursement for the project and construct the improvements and implement the program.*

2. Do not approve and authorize the recommended actions as presented in this staff report. *This alternative will prohibit the City from receiving the Cycle 1 ATP reimbursement for the project and defer improvements and program until a later date.*

FISCAL IMPACT

The ATP grant will provide for reimbursement of up to \$1,640,000 for the design, right-of-way, and construction phases of the project. The project approval & environmental documentation (PA&ED) phase of the project requires funding in the amount of \$95,000, which will be provided from the Measure A fund (Fund 2001).

The City will appropriate the \$1,640,000 as revenue and expense in the Capital Projects Reimbursements fund (Fund 2301) and \$95,000 as expense in the Measure A fund (Fund 2001). **There is no impact to the General Fund.**

Proposed Appropriation for Fiscal Year 2014/2015:

Category	Fund	Project Number (PN) GL Account (GL)	Type	Original Budget	Proposed Adjustment	Revised Budget
CIP	Capital Projects Reimbursements (2301)	GL – 2301-99-99-92301-482020	Rev	\$4,230,340	\$1,640,000	\$5,870,340
CIP	Capital Projects Reimbursements (2301)	GL – 2301-70-77-80001-720199 PN – 801 0063-2301-99	Exp	\$4,426,000 \$0	\$1,640,000 \$1,640,000	\$6,066,000 \$1,640,000
CIP	Measure A (2001)	GL – 2001-70-77-80001-720199 PN – 801 0063-2001-99	Exp	\$9,465,386 \$0	\$95,000 \$95,000	\$9,560,386 \$95,000

PROPOSED PROJECT BUDGET:

Capital Projects Reimbursements Appropriation

(Account No. 2301-70-77-80001) (Project No. 801 0063-2301-99).....\$1,640,000

Measure A Appropriation

(Account No. 2001-70-77-80001) (Project No. 801 0063-2001-99).....\$95,000

Total..... \$ 1,735,000

ESTIMATED PROJECT COSTS:

PA&ED..... \$95,000

PS&E..... \$89,000

R/W..... \$71,000

CON..... \$1,480,000

Total..... \$1,735,000

ANTICIPATED PROJECT SCHEDULE:

Receive Caltrans Authorization for Design..... December 2015

Complete Design..... July 2016

Receive Caltrans Authorization for Construction..... November 2016

Complete Construction..... January 2018

CITY COUNCIL GOALS

REVENUE DIVERSIFICATION AND PRESERVATION:

Develop a variety of city revenue sources and policies to create a stable revenue base and fiscal policies to support essential city services, regardless of economic climate.

PUBLIC SAFETY:

Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous materials incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

PUBLIC FACILITIES AND CAPITAL PROJECTS:

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

POSITIVE ENVIRONMENT:

Create a positive environment for the development of Moreno Valley's future.

ATTACHMENTS

Attachment 1: Project Location Map

Prepared By:
Vincent L. Tran, P.E.
Associate Engineer

Department Head Approval:
Ahmad R. Ansari, P.E.
Public Works Director/City Engineer

Concurred By:
Eric Lewis, P.E., T.E.
City Traffic Engineer

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City of Moreno Valley
 Public Works Department
 Transportation Engineering Division
ACTIVE TRANSPORTATION PROGRAM (ATP)
 LIST OF CYCLE 1 ATP INFRASTRUCTURE PROJECTS

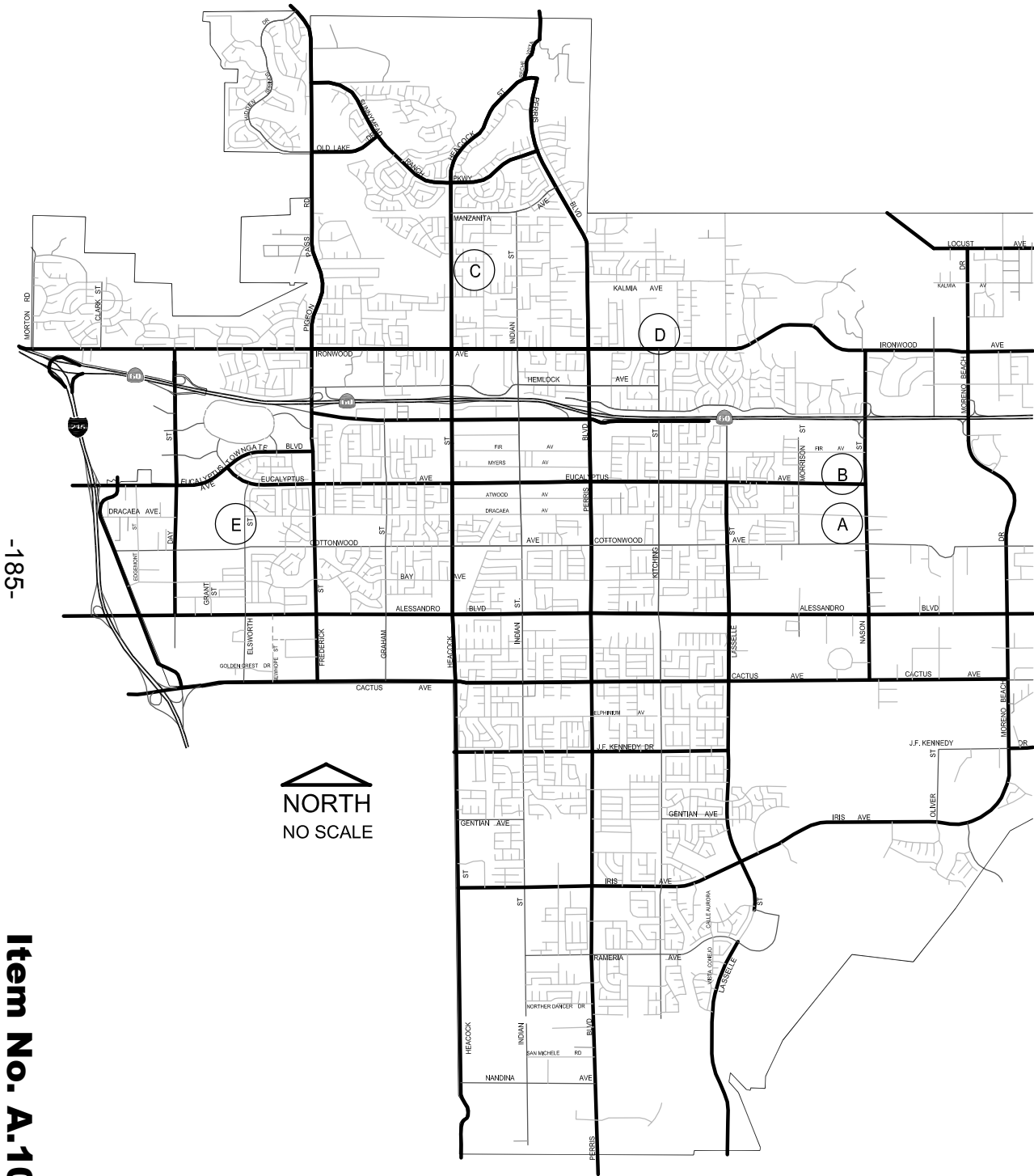
A. Installation of approximately 700 feet of missing link sidewalk with new curb, gutter, street lights, and radar speed feedback signs on Dracaea Avenue, near Bear Valley & Moreno Elementary Schools, Mountain View Middle School, and Valley View High School.

B. Installation of approximately 700 feet of missing link sidewalk with new curb, gutter, street lights, and radar speed feedback signs on Eucalyptus Avenue, near Bear Valley & Moreno Elementary Schools, Mountain View Middle School, and Valley View High School.

C. Installation of approximately 670 feet of missing link sidewalk with new curb, gutter, ADA-compliant pedestrian access ramps and street lights on Sandy Glade Avenue plus radar speed feedback signs on Davis Street, near Midland Elementary School.

D. Installation of approximately 400 feet of missing link sidewalk with new curb, gutter, ADA-compliant pedestrian access ramps, street lights, and radar speed feedback signs on Ironwood Avenue and Kitching Street, near Cloverdale Elementary School.

E. Installation of approximately 370 feet of missing link sidewalk with new curb, gutter, ADA-compliant pedestrian access ramps, street lights, and radar speed feedback signs on Elsworth Street, near Towngate Elementary School.



Item No. A.10

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>R</i>
CITY MANAGER	<i>D</i>

Report to City Council

TO: Mayor and City Council

FROM: Richard Teichert, Chief Financial Officer

AGENDA DATE: December 9, 2014

TITLE: PURSUANT TO LANDOWNER PETITION, ANNEX ASSESSOR'S PARCEL NUMBERS 481-250-002 AND 481-250-003 INTO COMMUNITY FACILITIES DISTRICT NO. 2014-01 (MAINTENANCE SERVICES)—AMENDMENT NO. 1

RECOMMENDED ACTION

Recommendation:

1. As the legislative body of Community Facilities District No. 2014-01 (Maintenance Services) approve and adopt Resolution No. 2014-97. A Resolution of the City Council of the City of Moreno Valley, California, Ordering the Annexation of Territory to City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services) and Approving an Amended Map for said District.

SUMMARY

This action is to certify the results of the special election annexing 2 parcels into Community Facilities District No. 2014-01 (Maintenance Services) and only affects 1 property owner, not the general citizens or taxpayers of the City.

By its Ordinance No. 882, the City Council designated the entire territory of the City a future annexation area for Community Facilities District No. 2014-01 (Maintenance Services). Habitat for Humanity, Inc., the property owner of Assessor's Parcel Numbers 481-250-002 and 481-250-003 (located on the south side of Myers Ave. west of Indian St.), has submitted to the City a petition approving the annexation of its parcels into Community Facilities District No. 2014-01 (Maintenance Services). Because the property owner has submitted a petition to annex the parcels, and because the parcels are located within the future annexation area, the City Council can order annexation

without additional public hearing. Once annexed, the parcels will be subject to an annual special tax to fund street lighting as part of the CFD's Tax Rate Area No. SL-01.

The special tax is subject to an annual CPI adjustment, which must be reviewed and approved by the City Council each year. Attachment 3 is a process chart showing the procedure the property owner/developer follows to annex into CFD No. 2014-01 (Maintenance Services).

DISCUSSION

Community Facilities District ("CFD") No. 2014-01 (Maintenance Services) ("District") was formed by adoption of Resolution No. 2014-25 to provide an alternative financing tool for the development community. The District provides funding for ongoing public landscape maintenance and standard residential street lighting services by the City's levy of a special tax onto the property tax bills (after approval by the property owners). Residential Tract 31618 (southwest corner of Moreno Beach Drive and Bay Avenue) was the development used to establish the CFD and currently is the only tract within the District and subject to the Maximum Special Taxes for residential landscaping and standard residential street lighting.

Tract 36598 (Assessor's Parcel Numbers 481-250-002 and 481-250-003) was conditioned to install street lights in conjunction with the construction of 8 single family dwelling units and provide an ongoing funding source for the operation of those street lights. The property owner has three options to satisfy the funding requirement for street lighting: 1) annex into CFD No. 2014-01 and approve the special tax to be levied annually to the property tax bills; 2) fund an endowment; or 3) establish a home owners association which would provide for the maintenance and operation of the street lights. The property owner elected to annex into CFD No. 2014-01 to authorize the special tax (Tax Rate Area No. SL-01) to be levied to the annual property tax bills of the parcels within Tract 36598.

Annexation to the District

By its Ordinance No. 882, the City Council designated the entire territory of the City a future annexation area for Community Facilities District No. 2014-01 (Maintenance Services). As a result of this designation, territory may be annexed to the District with the unanimous consent of the owners of the territory to be annexed.

The property owner has executed a landowner petition approving annexation. The petition was submitted to the City Clerk prior to the scheduled due date of November 3, 2014. On November 4, 2014, the City Clerk reviewed the landowner petition and confirmed that the property owner approved the annexation of the Parcels into the District as a part of Tax Rate Area No. SL-01 (Residential Street Lighting) and authorized the levy of the special tax onto its annual property tax bills. The attached Resolution (Attachment 1) adds the subject property to CFD No 2014-01.

ALTERNATIVES

1. **Adopt the Resolution to annex the property to CFD No. 2014-01 (Maintenance Services).** *This action annexes the parcels into CFD No. 2014-01 and authorizes the levy of the special tax on the annual property tax bill for only those 2 parcels (and any subdivision thereof) the property owner approved.*
2. **Do not adopt the Resolution to annex the property to CFD No. 2014-01 (Maintenance Services).** *If the attached Resolution is not adopted, the City will not annex the Parcels into CFD No. 2014-01 and will not have authority to levy the annual special tax onto the property tax bill at the property owner's request. The property owner would then need to use a different funding mechanism to satisfy its conditions of approval, which may delay the developer's ability to satisfy its conditions of approval.*
3. **Do not adopt the Resolution to certify the landowner petition to add property to CFD No. 2014-01 (Maintenance Services) but rather continue the item to a future Council meeting.** *This alternative may delay the development of Tract 36598.*

FISCAL IMPACT

The fiscal year ("FY") 2014/15 maximum special tax rate for standard residential street lighting (Tax Rate Area No. SL-01) is \$197.39 per parcel. The Maximum Special Tax is subject to an annual inflation adjustment based on the change in the Consumer Price Index ("CPI") for All Urban Consumers for the Los Angeles-Riverside-Orange County Region as published by the Department of Labor's Bureau of Labor Statistics or five percent (5%), whichever is greater. The City Council must review and authorize the CPI used to adjust the maximum special tax prior to the annual levy of the special tax. The annual special tax is collected on the Riverside County property tax bills.

The developer of Tract 36598 is scheduled to construct 8 residential dwelling units. Calculated at the FY 2014/15 maximum special tax rate, the tract will contribute \$1,579.12 in revenue for the operation of street lighting in the District. If the revenue collected at the maximum special tax rate exceeds what is necessary to fund the operation of the street lights in the District then a lower amount will be applied to the property tax bill for all properties subject to Tax Rate Area No. SL-01. Revenue received for CFD No. 2014-01 is restricted for the maintenance and operation of street lights in the District and is only collected on properties where property owners have previously approved the special tax to be levied on the property tax bill.

CITY COUNCIL GOALS

Community Image, Neighborhood Pride, and Cleanliness

A maintenance and service CFD provides developers and property owners with an alternative method to satisfying their conditions of approval for providing a funding source for the ongoing maintenance of public landscaping and/or operation of standard residential street lighting within the City.

Revenue Diversification and Preservation

A maintenance and service CFD provides developers and property owners with an opportunity to fund desired City services and secure the provision of those services. The CFD will further stabilize the revenue base for special district services and programs and is consistent with prudent financial practices.

NOTIFICATION

On October 23, 2014, a landowner petition for the annexation of Assessor's Parcel Numbers 481-250-002 and 481-250-003 to CFD No. 2014-01 (Maintenance Services) was provided to the property owner.

ATTACHMENTS

1. Proposed Resolution of the City Council of the City of Moreno Valley, California, Ordering the Annexation of Territory to City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services) and Approving an Amended Map for Said District
2. Amendment No.1 Boundary Map
3. Process Chart to Annex into CFD

Prepared by:
Jennifer Terry,
Management Analyst

Department Head Approval:
Richard Teichert,
Chief Financial Officer

Concurred by:
Candace E. Cassel,
Special Districts Division Manager

RESOLUTION NO. 2014-97

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, ORDERING THE ANNEXATION OF TERRITORY TO CITY OF MORENO VALLEY COMMUNITY FACILITIES DISTRICT NO. 2014-01 (MAINTENANCE SERVICES) AND APPROVING AN AMENDED MAP FOR SAID DISTRICT

WHEREAS, by its Resolution No. 2014-25, the City Council established its City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services) (the "CFD") pursuant to the Mello-Roos Community Facilities Act of 1982 (Government Code Section 53311 *et seq.*) (the "Act"); and

WHEREAS, by its Ordinance No. 874, the City Council levied an annual special tax against all non-exempt parcels of real property within the CFD (the "Special Tax") to fund street lighting services and landscape maintenance services; and

WHEREAS, in order to permit landowners to efficiently annex developing parcels to the CFD, the City Council, by its Ordinance No. 882 designated the entire territory of the City as a future annexation area for the CFD and approved an amended and restated rate and method of apportionment for the Special Tax; and

WHEREAS, the landowner of the parcels listed on Exhibit A to this Resolution, which is attached hereto and incorporated herein by reference, has submitted to the City a petition requesting and approving annexation of the listed parcels (the "Annexation Parcels") to the CFD; and

WHEREAS, the City Council desires to annex the Annexation Parcels to the CFD.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. Recitals. The above recitals are all true and correct.
2. Annexation Approved. The Annexation Parcels are hereby added to and part of the CFD with full legal effect. Each of the Annexation Parcels is subject to the Special Tax associated with the Tax Rate Area indicated on Exhibit A to this Resolution.
3. Description of Services. The following is a general description of all services (the "Services") provided in the CFD:
 - A. Landscape Maintenance Services: Maintaining, servicing, and operating landscape improvements and associated appurtenances located within the public right-of-way and within dedicated landscape easements for the CFD. These

1
Resolution No. 2014-97
Date Adopted: December 9, 2014

improvements may include but are not limited to parkways, medians, open space landscaping, fencing, monuments, ornamental lighting, drainage, turf, ground cover, shrubs, vines and trees, irrigation systems, and appurtenant facilities and structures. Fundable costs may include, but are not limited to: (i) contracting costs for landscape maintenance services, including litter removal, (ii) salaries and benefits of City staff, (iii) expenses related to equipment, apparatus, and supplies related to these services, (iv) City administrative and overhead costs associated with providing such services within the CFD, and (v) lifecycle costs associated with the repair and replacement of facilities.

- B. Street Lighting Services: Maintaining, servicing, and operating street lights and appurtenant improvements. Fundable costs may include, but are not limited to: (i) contracting costs for street light maintenance, (ii) salaries and benefits of City staff, if the City directly provides street light maintenance services, (iii) utility expenses and the expense related to equipment, apparatus, and supplies related to these services and authorized by the Act, (iv) City administrative and overhead costs associated with providing such services for the CFD, and (v) lifecycle costs associated with the repair and replacement of facilities.

Each of the Annexation Parcels will only be provided with the services indicated on Exhibit A.

4. Amended Boundary Map. The map titled "Amendment No. 1 to Boundaries of City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services), City of Moreno Valley, County of Riverside, State of California", which is on file in the office of the City Clerk, available for public inspection and incorporated herein by reference, is hereby approved. The City Council directs that said map be filed with the Riverside County Recorder pursuant to Section 3113 of the Streets and Highways Code.

5. Notice of Special Tax Lien. The City Council directs that a revised notice of special tax lien be recorded pursuant to Section 3117.5 of the Streets and Highways Code.

6. This Resolution shall be effective immediately upon adoption.

7. The City Clerk shall certify to the adoption of this Resolution, and shall maintain on file as a public record this Resolution.

2
Resolution No. 2014-97
Date Adopted: December 9, 2014

APPROVED AND ADOPTED this 9th day of December, 2014.

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

Resolution No. 2014-97³
Date Adopted: December 9, 2014

RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2014-97 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 9th day of December, 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

4
Resolution No. 2014-97
Date Adopted: December 9, 2014

EXHIBIT A

List of Annexation Parcels

<u>APN</u>	<u>Services</u>	<u>Tax Rate Area</u>
481-250-002	Street Lighting	SL-01
481-250-003	Street Lighting	SL-01

5
Resolution No. 2014-97
Date Adopted: December 9, 2014

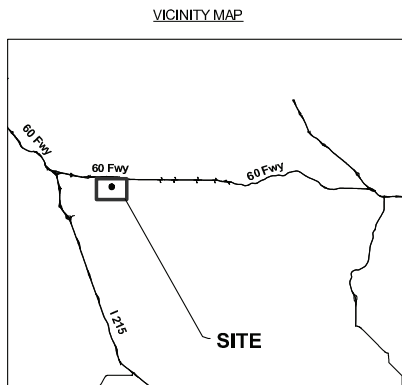
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AMENDMENT NO. 1 TO BOUNDARIES OF CITY OF MORENO VALLEY COMMUNITY FACILITIES DISTRICT NO. 2014-01 (MAINTENANCE SERVICES)

**CITY OF MORENO VALLEY
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA**

(This map amends, by adding the additional territory shown herein, the boundary map for City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services), City of Moreno Valley, Riverside County, State of California, prior recorded at Book 76 of Maps of Assessment and Community Facilities Districts at page 69, in the office of the County Recorder for the County of Riverside, State of California.)

MAP REF. NO.	ASSESSOR'S PARCEL NO.
1	481-250-002
2	481-250-003



FILED IN THE OFFICE OF THE CITY CLERK THIS _____ DAY OF _____, 201____.

CITY CLERK
CITY OF MORENO VALLEY

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING AMENDED BOUNDARIES OF CITY OF MORENO VALLEY COMMUNITY FACILITIES DISTRICT NO. 2014-01 (MAINTENANCE SERVICES), CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF MORENO VALLEY AT A REGULAR MEETING THEREOF, HELD ON THE _____ DAY OF _____, 201____, BY ITS RESOLUTION NO. _____

CITY CLERK
CITY OF MORENO VALLEY

FILED THIS _____ DAY OF _____, 201____, AT THE HOUR OF _____ O'CLOCK _____, M. IN BOOK _____ PAGE(S) _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICT AND INSTRUMENT NO. _____ IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

COUNTY RECORDER
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA

REFERENCE IS MADE TO THAT BOUNDARY MAP OF THE COMMUNITY FACILITIES DISTRICT NO. 2014-01 (MAINTENANCE SERVICES) OF THE CITY OF MORENO VALLEY RECORDED WITH THE RIVERSIDE COUNTY RECORDER'S OFFICE ON FEBRUARY 20, 2014 IN BOOK 76 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS, PAGE 69 AS INSTRUMENT NO. 2014-0066114.

THE LINES AND DIMENSIONS OF EACH LOT OR PARCEL SHOWN ON THIS DIAGRAM SHALL BE THOSE LINES AND DIMENSIONS AS SHOWN ON THE RIVERSIDE COUNTY ASSESSOR'S MAPS FOR THOSE PARCELS LISTED.

THE RIVERSIDE COUNTY ASSESSOR'S MAPS SHALL GOVERN FOR ALL DETAILS CONCERNING THE LINES AND DIMENSIONS OF SUCH LOTS OR PARCELS.

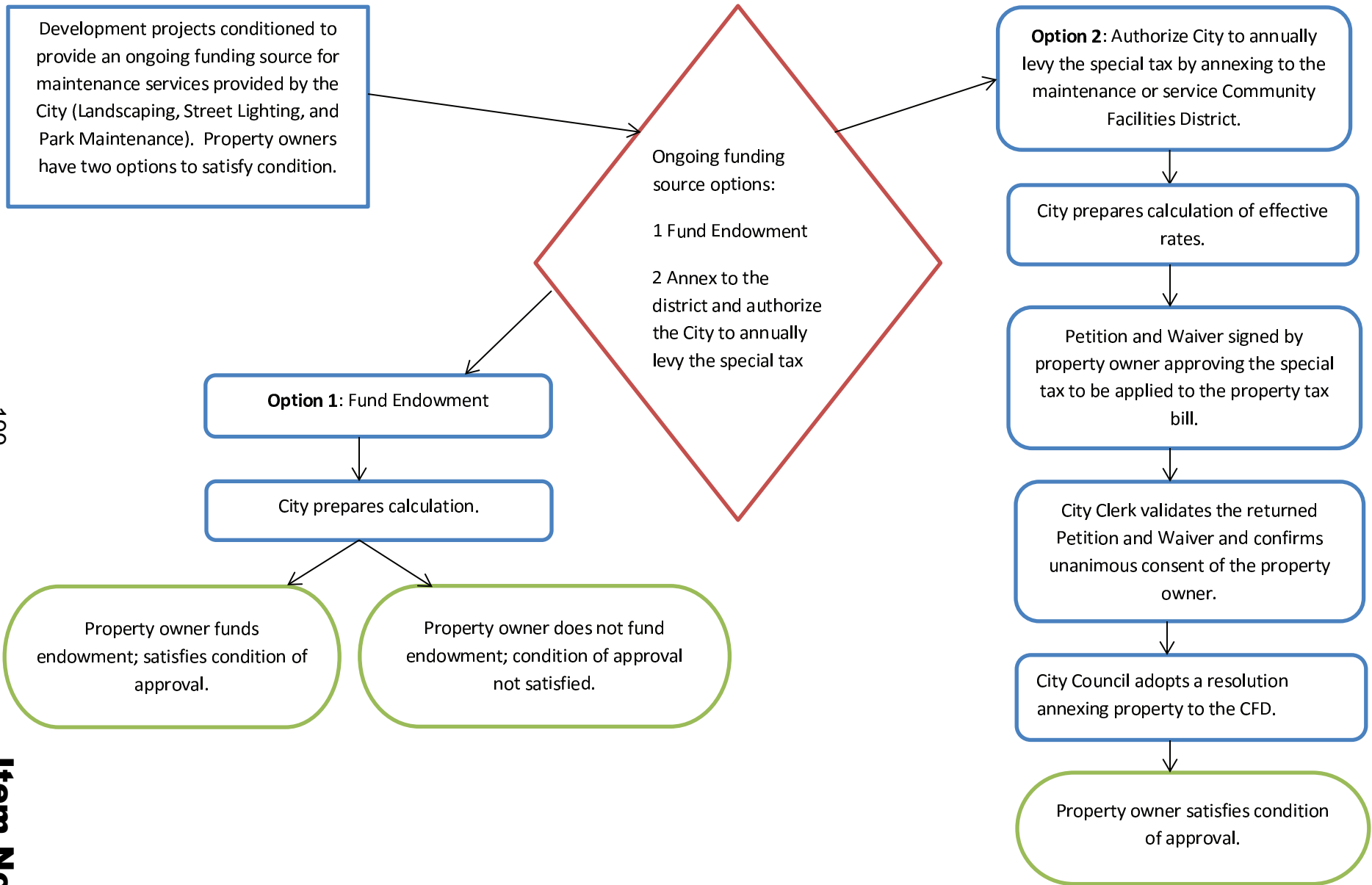
Legend

Additional area to CFD 2014-01

Map Reference Number

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Process Flow for Property Owners/Developers to Satisfy Funding Requirement for Existing Maintenance or Service Tax Rates Areas in Community Facilities District No. 2014-01



-199-

Item No. A.11

This process flow is simplified for illustration purposes. Contact the Special Districts Division at 951.413.3480 for the detailed process. The developer has the option to fund the maintenance through a home owners association for Community Facilities District No. 2014-01 (Maintenance Services). November 18, 2014

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>R</i>
CITY MANAGER	<i>D</i>

Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, P.E., Public Works Director/City Engineer

AGENDA DATE: December 9, 2014

TITLE: PA14-0021 (PM 36752) – APPROVE PARCEL MAP AND ACCEPT THE AGREEMENT AND SECURITY FOR PUBLIC IMPROVEMENTS. DEVELOPER – CP MORENO VALLEY DPSS, LLC, RANCHO CORDOVA, CA 95670

RECOMMENDED ACTION

Recommendations:

1. Approve Parcel Map 36752 for PA14-0021, authorize the City Clerk to sign the map and transmit map to the County Recorder's Office for recordation.
2. Accept the Agreement and Security for Public Improvements for CP Moreno Valley DPSS, LLC.
3. Authorize the Mayor to execute the Agreement.
4. Direct the City Clerk to forward the signed Agreement to the County Recorder's Office for recordation.
5. Authorize the City Engineer to execute any future time extension amendments to the agreement, subject to City Attorney approval, if the required public improvements are not completed within said timeframe.

SUMMARY

This report recommends approval of the agreement by the City of Moreno Valley and CP Moreno Valley DPSS, LLC, to construct the required public improvements that are located on the west side of Heacock Street at Webster Avenue. The project is funded by CP Moreno Valley DPSS, LLC.

DISCUSSION

On August 26, 2014, the Community & Economic Development Department administratively approved Tentative Parcel Map 36752 (PA14-0021) to subdivide 10.91 acres into two parcels. Subsequent to the tentative parcel map approval, the Planning Commission approved Plot Plan (PA14-0020) on September 25, 2014. The developer proposes to construct a 52,000 square-foot building on a 5.8 acre portion (Parcel 1 of TPM 36752) of the 10.91 acre parcel located along the west side of Heacock Street at Webster Avenue.

CP Moreno Valley DPSS, LLC is the developer of this project and has completed an Agreement for Public Improvements. The developer agrees to perform and complete all of the required public improvements within twenty-four (24) months of the date the agreement is executed. The public improvements include, but are not limited to asphalt, base, curb, gutter, sidewalk, driveway approaches, streetlights, striping, signage, and water/sewer laterals. The City Engineer may execute any future amendments to the agreement, subject to City Attorney approval, if the required public improvements are not completed within said timeframe.

Parcel Map 36752 is in substantial conformance with the approved tentative parcel map. The developer has requested that the map be approved for recordation. The Conditions of Approval for this project require that the developer provide surety for the required improvements. Public improvements are to be constructed along the west side of Heacock Street at Webster Avenue.

Accompanying the agreement is a Faithful Performance bond in the amount of \$141,000 and a Material and Labor bond in the amount of \$70,500 issued by Travelers Casualty and Surety Company of America.

FISCAL IMPACT

No fiscal impact is anticipated.

CITY COUNCIL GOALS

PUBLIC FACILITIES AND CAPITAL PROJECTS:

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

NOTIFICATION

Publication of agenda.

ATTACHMENTS

Attachment 1 – Vicinity Map

Attachment 2 – Agreement for Public Improvements

Attachment 3 – Faithful Performance Bond

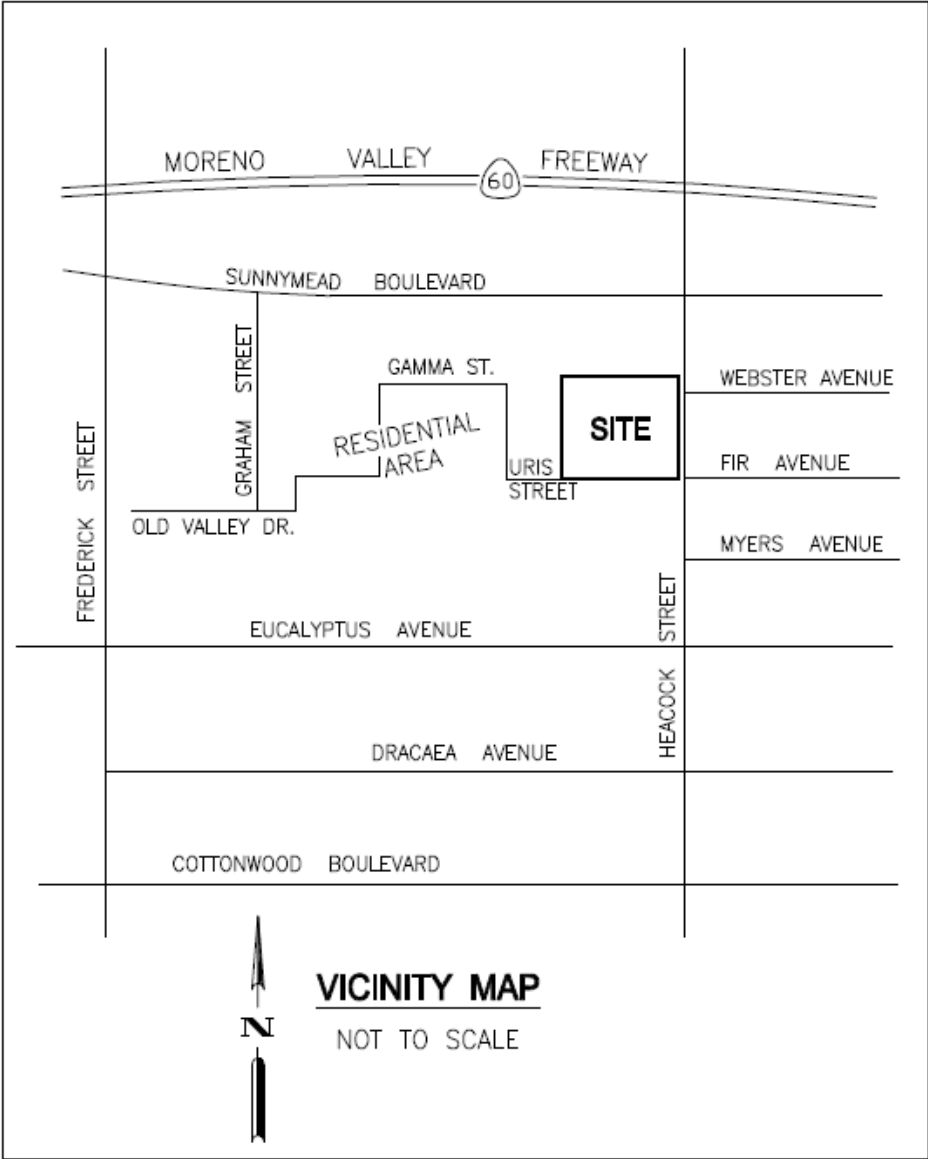
Attachment 4 – Material and Labor Bond

Prepared By:
Vince Girón
Associate Engineer

Department Head Approval:
Ahmad R. Ansari, P.E.
Public Works Director/City Engineer

Concurred By:
Mark W. Sambito, P.E.
Engineering Division Manager

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CITY OF MORENO VALLEY
PUBLIC WORKS DEPARTMENT - LAND DEVELOPMENT

PA14-0021 (PM 36752)

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**AGREEMENT FOR PUBLIC IMPROVEMENTS
FOR
PROJECT NO. PA14-0021 (PM 36752)**

This Agreement made and entered into by and between the City of Moreno Valley, State of California, hereinafter called City, and **CP Moreno Valley DPSS, LLC, a limited liability company**, herein after called Developer, on the date the City signs this agreement.

WITNESSETH:

FIRST: Developer, for and in consideration of the approval by the City of the final map of that certain land division, or that certain other land development project, known as **PA14-0021 (PM 36752)** agrees, at Developer's own expense, to furnish all labor, equipment and material necessary, and within **TWENTY-FOUR (24)** months from the date this Agreement is executed, to perform and complete in a good and workmanlike manner, all of the required improvements in accordance with those improvement plans for said project which have been approved by the City Engineer, and are on file in the office of the City Engineer, and to do all work incidental thereto in accordance with the standards set forth in City ordinances and regulations, and pay all costs of engineering necessary in connection therewith, which are expressly made a part of this Agreement. All of the above required work shall be done under the inspection of and to the satisfaction of the City Engineer, and shall not be deemed complete until approved and accepted as complete by the City. Developer further agrees to guarantee the required improvements for a period of one year following acceptance by the City and during this one year period to repair and replace, to the satisfaction of the City Engineer, any defective work or labor done or defective materials furnished. Developer shall complete the improvements described in this paragraph pursuant to Section 66462, Government Code. Developer shall also complete any offsite improvements required as a condition of approval and with plans approved by the City Engineer at such time as the City acquires an interest in the land which will permit the improvements to be made, and the Developer waives the 120 day time limitation set forth in Section 66462.5, Government Code.

Security to guarantee the performance of this agreement shall be in the following amounts:

Faithful Performance security shall be in the sum of **ONE HUNDRED FORTY ONE THOUSAND AND NO/100** Dollars (*****\$141,000.00*****). The estimated cost of said work and improvements, pursuant to the Preliminary Estimate of Cost labeled Exhibit A attached hereto.

Labor and Material security shall be in the sum of **SEVENTY THOUSAND FIVE HUNDRED AND NO/100** Dollars (*****\$70,500.00*****). The estimated cost securing payment of labor and materials is fifty (50) percent of the total cost estimate of the improvements.

Developer further agrees to guarantee the required improvements for a period of one year following acceptance by the City and during this one year period to repair and replace, to the satisfaction of the City Engineer, any defective work or labor done or defective materials furnished. Upon entering the warranty period, the City shall retain ten percent of the original faithful performance security. Developer reserves the right to substitute the form of security, in accordance with the Moreno Valley Municipal Code, at any time during the term of this agreement, subject to approval of the City Engineer and City Attorney.

SECOND: Developer agrees to file with City, prior to the date this Agreement is executed, a good and sufficient improvement security in an amount not less than the estimated cost of the work and improvements for the faithful performance of the terms and conditions of this Agreement, and good and sufficient security for payment of labor and materials in the amount prescribed by City ordinances and regulations to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California. Developer agrees to renew each and every said bond or bonds with good and sufficient sureties or increase the amounts of said bond or bonds, or both, within ten (10) days after being notified by the City Engineer that the sureties or amounts are insufficient. Notwithstanding any other provision herein, if Developer fails to take such action as is

necessary to comply with said notice, he shall be in default of this Agreement unless all required improvements are completed within ninety (90) days of the date on which the City Engineer notified the Developer of the insufficiency of said bonds. Developer reserves the right to substitute the form of security in accordance with the City's Municipal Code at any time during the term of this agreement, subject to approval by the City Engineer and City Attorney.

THIRD: Developer agrees to pay to the City the actual cost of such inspection of the works and improvements as may be required by the City Engineer. Developer further agrees that, if suit is brought upon this Agreement or any bond guaranteeing the completion of the required improvements, all costs and reasonable expenses and fees incurred by the City in successfully enforcing such obligations shall be paid by Developer and guaranteed by the surety in addition to the face amount of the security, including reasonable attorney's fees, and that, upon entry of judgment, such costs, expenses and fees shall be taxed as costs and included in any judgment rendered.

FOURTH: To the furthest extent allowed by law, including California Civil Code Section 2782, Developer shall indemnify, hold harmless and defend City and each of its officers, officials, employees and agents from any and all claims, losses, liabilities, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including, but not limited to personal injury, death at any time and/or property damage) incurred by City or any other Person, and from any and all claims, demands and actions in law or equity (including attorney's fees and litigation expenses), arising or alleged to have arisen directly or indirectly out of the performance of this Agreement, including but not limited to the alleged acts or omissions of any contractor, subcontractor, employee or agent acting on behalf of Developer or the design of any improvements to be constructed pursuant to this Agreement or the use of any patent or patented article in the performance of this Agreement.

Developer's obligations to indemnify and hold City harmless shall apply in all instances except those claims caused by the active negligence, sole negligence, or willful misconduct of City or any of its officers, officials, employees or agents. Developer's obligations to defend the City and provide a legal defense (including the retention of attorneys acceptable to City and all legal costs and expenses) shall apply in all instances, except those claims arising out of the sole negligence or the willful misconduct of City or any of its officers, officials, employees or agents.

If Developer retains any contractor or subcontractor to perform any of the Work to be performed under this Agreement, Developer shall require each contractor or subcontractor to indemnify, hold harmless and defend City and each of its officers, officials, employees and agents in accordance with the terms of the preceding paragraphs.

Developer's obligations under his section shall survive the completion of any work to be performed by Developer, the City's inspection and/or acceptance of any work performed by Developer, as well as the termination or expiration of this Agreement.

Developer's provision of insurance, as required below, does not terminate, alter, limit or satisfy Developer's defense and indemnity obligations provided for herein.

FIFTH: Throughout the life of the Agreement, Developer shall pay for and maintain in full force and effect all policies of insurance required hereunder with an insurance company (ies) either (i) admitted by the California Insurance Commissioner to do business in the State of California and rated not less than "A-VII" in Best's Insurance Rating Guide, or (ii) as authorized by the City Manager or his/her designee. The following policies of insurance are required:

- (i) COMMERCIAL GENERAL LIABILITY insurance which shall be at least as broad as the most current version of Insurance Services Office (ISO) Commercial General Liability Coverage Form CG 00 01 and include insurance for "bodily injury," "property damage" and "personal and advertising injury" with

coverage for premises and operations (including the use of owned and non-owned equipment), products and completed operations, and contractual liability (including, without limitation, indemnity obligations under the Contract) with limits of not less than \$1,000,000 per occurrence for bodily injury and property damage, \$1,000,000 per occurrence for personal and advertising injury, \$2,000,000 aggregate for products and completed operations and \$2,000,000 general aggregate.

(ii) COMMERCIAL AUTOMOBILE LIABILITY insurance which shall be at least as broad as the most current version of Insurance Services Office (ISO) form CA 00 01 and shall include coverage for "any auto" with limits of liability of not less than \$1,000,000 per accident for bodily and property damage. Commercial Automobile Liability coverage is required if automobiles are to be operated on city-owned property or within City right-of-way.

(iii) WORKERS' COMPENSATION insurance as required under the California Labor Code.

Developer shall be responsible for payment of any deductibles or self-insured retentions contained in any insurance policies required hereunder.

All policies of insurance required hereunder shall be endorsed to provide that the coverage shall not be cancelled, non-renewed, reduced in coverage or in limits except after thirty (30) calendar day written notice by certified mail, return receipt requested, has been given to the City. Upon issuance by the insurer, broker or agent of a notice of cancellation, non-renewal or reduction in coverage or limits, Developer shall furnish City with a new certificate and applicable endorsements for such policy(ies). In the event any policy(ies) is due to expire before the completion of the work, Developer shall provide a new certificate and all applicable endorsements evidencing renewal of such policy(ies) not less than 15 calendar days prior to the expiration date of the expiring policy(ies).

The General Liability and Automobile Liability insurance policies shall be written on an occurrence form and endorsed to name the City and its officers, officials, employees and agents as additional insured. Such policy(ies) of insurance shall be endorsed so Developer's insurance shall be primary and no contribution shall be required of City. Any Workers' Compensation insurance policy shall contain a waiver of subrogation as to City, its officers, officials, employees and agents. Developer shall furnish City with the certificate(s) and applicable endorsements for all required insurance fourteen (14) days prior to the start of work. NOTE: A Certificate of Insurance is not acceptable. The Certificate of Insurance must be accompanied by the additional insured and primary insurance endorsements.

If Developer retains any contractor or subcontractor to perform any of the Work to be performed under this Agreement, Developer shall require each contractor or subcontractor to provide insurance protection in favor of City, its officers, officials, employees and agents in accordance with the terms of the Agreement. Any contractor or subcontractor performing work on behalf of Developer shall likewise be required to name City its officers, officials, employees and agents as additional insured as required herein. Developer shall obtain certificates and endorsements from such contractors or subcontractors before the commencement of any work.

At any time during the Agreement, upon request of City, Developer shall immediately furnish City with a complete copy of any insurance policy required under this Agreement, including all endorsements, with said copy certified by the underwriter to be a true and correct copy of the original policy.

If at any time Developer fails to maintain the required insurance in full force and effect, all work permitted thereunder shall be discontinued immediately until notice is received by City that the required insurance has been restored to full force and effect and that the premiums therefore have been paid for a period satisfactory to City. Any failure by Developer to provide or maintain the required insurance shall be considered a material breach of the Agreement.

The fact that insurance is obtained by Developer shall not be deemed to release or diminish its liability, including but not limited to, liability under the indemnity provisions on this Agreement. Developer's duty to defend and indemnify City shall apply to all claims and liabilities, regardless of whether any insurance policies are applicable. The policy limits stated herein do not act as a limitation upon the amount of indemnification required to be provided by Developer.

SIXTH The Developer hereby grants to the City and/or to any authorized agent or employee of the City, the irrevocable permission to enter upon the lands of the above-referenced land division for the purpose of completing the improvements. This permission shall terminate in the event that the Developer has completed the work within the time specified or any extension thereof granted by the City.

SEVENTH: Developer agrees at all times, up to the completion and acceptance of the improvements by the City, to give good and adequate warning to the traveling public of each and every dangerous condition caused by the construction of the improvements, and to protect the traveling public from such defective or dangerous conditions. The Developer shall keep all traveled ways that are a part of, or affected by the construction of this project free and clear of mud, dirt and debris and shall provide twice monthly street sweeping service. A copy of the contract for street sweeping service shall be provided to the City. The Developer's obligation under this provision shall be secured by the bonds securing performance of this Agreement.

EIGHTH: The Developer, his agents and employees, shall give notice to the City Engineer at least 48 hours before beginning any work and shall furnish said City Engineer all reasonable facilities for obtaining full information with respect to the progress and manner of work.

NINTH: If the Developer, or his agents or employees, neglects, refuses, or fails to prosecute the work with such diligence as to insure its completion within the specified time, or within such extensions of time as have been granted by the City, or if the Developer violates, neglects, refuses, or fails to perform satisfactorily any of the provisions of the plans and specifications, he shall be in default of this Agreement and notice in writing of such default shall be served upon him. The City Council shall have the power, on recommendation by the City Engineer, to terminate all rights of the Developer because of such default. The determination by the City Engineer of the question as to whether any of the terms of the Agreement or specifications have been violated, or have not been performed satisfactorily, shall be conclusive upon the Developer, and any and all parties who may have any interest in the Agreement or any portion thereof. The foregoing provisions of this section shall be in addition to all other rights and remedies available to the City under law.

TENTH: It is further agreed by and between the parties hereto, including the surety or sureties on the bonds securing this Agreement that, in the event it is deemed necessary to extend the time of completion of the work contemplated to be done under this Agreement, extensions of time **may** be granted by the City from time to time, either at its own option, or upon request of Developer, and such extensions shall in no way affect the validity of this Agreement or release the surety or sureties on said bonds, Developer further agrees to maintain the aforesaid bonds in full force and effect during the terms of this Agreement, including any extensions of time as may be granted therein.

ELEVENTH: It is understood and agreed by the parties hereto that if any part, term or provision of this Agreement is by the courts held to be unlawful and void, the validity of the remaining portions shall not be affected and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term or provision held to be invalid.

TWELFTH: In the event legal action is required to enforce the terms of the Agreement, the prevailing party shall be entitled to recover attorney's fees and costs, including expert fees.

THIRTEENTH: Any notice or notices required or permitted to be given pursuant to this Agreement shall be served on the other party by mail, postage prepaid, at the following addresses:

City:
City Engineer
P.O. Box 88005
14177 Frederick
Moreno Valley, CA 92552-0805

Developer:
CP Moreno Valley DPSS, LLC
a limited liability company
2890 Kilgore Road, Suite 175
Rancho Cordova, CA 95670

IN WITNESS WHEREOF Developer has affixed his name, address and seal.

Date approved by the City: _____

CP Moreno Valley DPSS, LLC, a limited liability company:
Developer

By: *John A. Buckel*
Signature
John A. Buckel
Print/Type Name
Manager
Title

By: _____
Signature

Print/Type Name

Title

ATTEST:
CITY CLERK
OF THE CITY OF MORENO VALLEY

By: _____
City Clerk

(SEAL)

CITY OF MORENO VALLEY

By: _____
Mayor

APPROVED AS TO FORM:
CITY ATTORNEY

Date: _____

By: _____
City Attorney

NOTE: TWO SIGNATURES ARE REQUIRED FOR CORPORATIONS UNLESS CORPORATE DOCUMENTS ARE PROVIDED THAT INDICATE OTHERWISE.

SIGNATURES OF DEVELOPER MUST BE EXECUTED IN QUADRUPPLICATE AND THE EXECUTION OF THE ORIGINAL COPY MUST BE ACKNOWLEDGED BEFORE A NOTARY
ORIGINAL - CITY CLERK; PINK - DEVELOPER; GREEN - SURETY; BLUE - PROJECT FILE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

State of California

County of Sacramento

On 11/10/2014 before me, S. Caruso, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared John A. Buckel
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: S. Caruso
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Agreement for Public Improvements

Document Date: 11/10/2014 Number of Pages: 5

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: John A. Buckel Signer's Name: _____

- Corporate Officer — Title(s): _____
- Individual
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: Member

Signer Is Representing: CP Moreno Valley APSS, LLC

Signer Is Representing: _____

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 1 of 8

10/23/14
VBC

PROJECT: PA14-0021

DATE: 09/08/14
PREPARED BY: Walden & Associat

PUBLIC PAVEMENT SECTIONS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Street Work - Non DIF Non TUMF				
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 1	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 2	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 3	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 4	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Street Work - DIF				
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 1	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 2	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 3	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 4	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Street Work - TUMF				
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 1	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 2	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 3	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 4	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
			SUBTOTAL:	0

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 2 of 8

10/23/14
VRG

PROJECT: PA14-0021

DATE: 09/08/14
PREPARED BY: Walden & Associat

PUBLIC STREET WORK

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Offsite Street Work				
Pavement				
Grind & Pave 0.15'	0	S.F.	3.25	0
A.C. Cap/Overlay	0	Ton	80.00	0
Slurry Seal (Based on \$150/Ton Type II)	0	S.Y.	2.25	0
Paving Fabric	0	S.Y.	1.20	0
Sawcut	160	L.F.	3.00	480
Utility Trench	0	L.F.	17.00	0
Trench Repaving	124	S.F.	12.00	1,488
Redwood Header	0	L.F.	6.00	0
A.C. Berm - 6"	0	L.F.	10.00	0
A.C. Berm - 8"	0	L.F.	15.00	0
Adjust M.H. to Grade	0	EA.	800.00	0
Adjust Water Valve to Grade	2	EA.	400.00	800
Remove & Dispose Existing Pavement & Base	124	SF	3.00	372
Remove Existing Curb & Gutter	124	L.F.	12.00	1,488
Concrete				
P.C.C. Paving - 6"	0	S.F.	6.50	0
P.C.C. Paving - 8"	0	S.F.	10.50	0
Curb and Gutter - 6"	0	L.F.	25.00	0
Curb and Gutter - 8"	0	L.F.	30.00	0
Curb and Gutter - 8" (DIF Street Name)	0	L.F.	30.00	0
Curb and Gutter - 8" (TUMF Street Name)	0	L.F.	30.00	0
Curb Only - 6"	0	L.F.	20.00	0
Curb Only - 8"	0	L.F.	25.00	0
Curb Only - 8" (DIF Street Name)	0	L.F.	25.00	0
Curb Only - 8" (TUMF Street Name)	0	L.F.	25.00	0
A.C. Curb 6"	0	L.F.	12.00	0
A.C. Curb 8"	0	L.F.	15.00	0
Cross Gutter and Spandrel	0	S.F.	10.25	0
Sidewalk	720	S.F.	4.25	3,060
Sidewalk (DIF Street Name)	0	S.F.	7.00	0
Sidewalk (TUMF Street Name)	0	S.F.	7.00	0
Median Stamped Concrete	0	S.F.	14.00	0
Driveway Approach - 6"	0	S.F.	6.50	0
Driveway Approach - 8"	1670	S.F.	10.50	17,535
Wheelchair Ramp	0	EA.	2,600.00	0
Alley Approach - 8"	0	S.F.	10.25	0
1/2 Alley Apron	0	S.F.	10.25	0
Barricade	0	L.F.	100.00	0
Bus Bay	0	EA.	15,000.00	0
Miscellaneous				
Relocate Power Poles	0	EA.	30,000.00	0
Relocate Power Poles (DIF Street Name)	0	EA.	30,000.00	0
Erosion Control	0	AC.	5,000.00	0
Walls - Masonry: 6' Maximum	0	L.F.	100.00	0
Walls - Retaining: 6' Maximum	0	L.F.	150.00	0
Reinforced P.C.C. Retaining Walls	0	C.Y.	780.00	0
				0
			SUBTOTAL:	25,223
Traffic Improvements (Plan Checked by Trans. Eng. Staff/Inspected by LDD Staff)				
Traffic Striping/raised pavement markers	0	L.S.	--	0
Traffic Striping (DIF Street -Perris Blvd)	0	L.S.	--	0
Street Name Sign	0	EA.	500.00	0
Stop Sign	0	EA.	200.00	0
Signs and Posts	1	EA.	200.00	200
Signs and Posts (DIF Street -Perris Blvd)	0	EA.	200.00	0
Street Sweeping Sign	0	EA.	200.00	0
Warning Markers - Type L, Type N	0	EA.	100.00	0
Traffic Control	0	L.S.	10,000.00	0
Traffic Control (DIF Street Name)	0	L.S.	10,000.00	0
Traffic Signal PB-Adjust to Grade	0	EA.	800.00	0
Metal Guard Rail	0	L.F.	90.00	0
			SUBTOTAL:	200

10/23/14
VRG

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 3 of 8

PROJECT: PA14-0021

DATE: 09/08/14
PREPARED BY: Walden & Associat

PUBLIC STREET WORK (CONTINUED)

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Bondable Street Work Only (Not Plan Checked but Inspected)				
Undergrounding of Utilities	0	L.F.	203.00	0
Cluster Mail Boxes	0	EA	4,500.00	0
Relocate Mailbox	0	EA	350.00	0
Relocate Cluster Mailbox	0	EA	1,200.00	0
Monuments	0	EA	300.00	0
Relocate Trees	0	EA	2,500.00	0
			SUBTOTAL:	0
Special Districts				
Landscaping - Medians	0	S.F.	6.00	0
Landscaping - Parkways	0	S.F.	6.00	0
100W HPSV or Equivalent (9,500 Lumens)	0	EA	5,000.00	0
200W HPSV or Equivalent (22,000 Lumens)	3	EA	6,000.00	18,000
250W HPSV or Equivalent	0	EA	6,000.00	0
100W LED or Equivalent	0	EA	5,000.00	0
145W LED or Equivalent	0	EA	5,000.00	0
			SPECIAL DISTRICTS SUBTOTAL:	18,000
Moreno Valley Utilities				
Electrical Utility Infrastructure	0	L.S.	50.00	0
			MVU SUBTOTAL:	0
Water Quality Basin				
Landscaping	0	S.F.	6.00	0
Filtration Devices	0	EA	0.00	0
Access Ramp PCC	0	S.F.	0.00	0
Low-Flow Pipe System	0	L.F.	0.00	0
Headwalls	0	EA	0.00	0
Outlets	0	EA	0.00	0
Risers	0	EA	0.00	0
Forebay PCC	0	S.F.	0.00	0
Toe of slope protection PCC	0	S.F.	20.00	0
			WQB SUBTOTAL:	0
Transportation Engineering (Plan Checked and Inspected by Transp. Eng. Staff)				
Traffic Signal New (Interconnect, Controller, Software, Initial Coordination)	0	EA	272,000.00	0
Traffic Signal Modification	0	L.S.	50,000.00	0
Traffic Signal Interconnect (Existing Signals Only)	0	L.F.	30.00	0
			TRANSPORTATION SUBTOTAL:	0

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 4 of 8

10/23/14
VBSG

PROJECT: PA14-0021

DATE: 09/08/14
PREPARED BY: Walden & Associat

PUBLIC STORM DRAIN SYSTEM

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipe				
12" Reinforced Concrete Pipe	0	L.F.	130.00	0
18" Reinforced Concrete Pipe	0	L.F.	140.00	0
24" Reinforced Concrete Pipe	0	L.F.	160.00	0
24" Reinforced Concrete Pipe (DIF Street Name)	0	L.F.	160.00	0
30" Reinforced Concrete Pipe	0	L.F.	180.00	0
36" Reinforced Concrete Pipe	0	L.F.	190.00	0
39" Reinforced Concrete Pipe	0	L.F.	200.00	0
42" Reinforced Concrete Pipe	0	L.F.	210.00	0
48" Reinforced Concrete Pipe	0	L.F.	250.00	0
54" Reinforced Concrete Pipe	0	L.F.	300.00	0
60" Reinforced Concrete Pipe	0	L.F.	350.00	0
66" Reinforced Concrete Pipe	0	L.F.	375.00	0
72" Reinforced Concrete Pipe	0	L.F.	414.00	0
78" Reinforced Concrete Pipe	0	L.F.	459.00	0
84" Reinforced Concrete Pipe	0	L.F.	505.00	0
90" Reinforced Concrete Pipe	0	L.F.	557.00	0
96" Reinforced Concrete Pipe	0	L.F.	613.00	0
102" Reinforced Concrete Pipe	0	L.F.	671.00	0
108" Reinforced Concrete Pipe	0	L.F.	724.00	0
114" Reinforced Concrete Pipe	0	L.F.	785.00	0
12" HDPE	0	L.F.	45.00	0
18" HDPE	0	L.F.	50.00	0
24" HDPE	0	L.F.	55.00	0
30" HDPE	0	L.F.	60.00	0
36" HDPE	0	L.F.	70.00	0
42" HDPE	0	L.F.	80.00	0
48" HDPE	0	L.F.	90.00	0
54" HDPE	0	L.F.	125.00	0
60" HDPE	0	L.F.	140.00	0
4" PVC SCH. 40	0	L.F.	25.00	0
4" PVC SCH. 80	0	L.F.	30.00	0
6" PVC SCH. 40	0	L.F.	30.00	0
6" PVC SCH. 80	0	L.F.	35.00	0
8" PVC SCH. 40	0	L.F.	40.00	0
8" PVC SCH. 80	0	L.F.	48.00	0
Reinforced Concrete Structure	0	C.Y.	500.00	0
8' X 10' Reinforced Concrete Box	0	C.Y.	1200.00	0
8' X 12' Reinforced Concrete Box	0	C.Y.	1400.00	0
2 - 72" Reinforced Concrete Pipe	0	L.F.	840.00	0
3 - 4' X 2' Reinforced Concrete Pipe	0	L.F.	461.00	0
	0		0.00	0
Manholes				
Manhole No. 1	0	EA	5000.00	0
Manhole No. 2	1	EA	7200.00	7,200
Manhole No. 3	0	EA	8500.00	0
Manhole No. 4	0	EA	10000.00	0
	0		0.00	0
Catch Basins				
Catch Basin (3.5')	0	EA	3100.00	0
Catch Basin (7')	0	EA	5500.00	0
Catch Basin (10')	0	EA	6000.00	0
Catch Basin (14')	0	EA	8000.00	0
Catch Basin (21')	0	EA	12500.00	0
Local Depressions	0	EA	535.00	0
Catch Basin (3.5') (DIF Street Name)	0	EA	3100.00	0
Catch Basin (7') (DIF Street Name)	0	EA	5500.00	0
Catch Basin (10') (DIF Street Name)	0	EA	6000.00	0
Catch Basin (14') (DIF Street Name)	0	EA	8000.00	0
Catch Basin (21') (DIF Street Name)	0	EA	12500.00	0
Local Depressions (DIF Street Name)	0	EA	535.00	0
24" X 24" Grate basin	0	EA	2500.00	0
18" X 18" Grate Basin	0	EA	2100.00	0
6" Wide Strip Basin	0	EA	3000.00	0
Removal/Relocation- Catch Basin	0	EA	5000.00	0
Grated Catch Basin	0	EA	6000.00	0
Headwall	0	EA	5500.00	0

10/23/14
JBG

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 5 of 8

PROJECT: PA14-0021

DATE: 09/08/14
PREPARED BY: Walden & Associat

PUBLIC STORM DRAIN SYSTEM (CONTINUED)

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Structures				
Transition Structure	0	EA	5500.00	0
Junction Structure	0	EA	6500.00	0
Type IX Inlet Structure	0	EA	2500.00	0
Inlet Structure (drop)	0	EA	4000.00	0
Outlet Structure	0	EA	8000.00	0
Concrete Collar (to 48")	0	EA	3000.00	0
Headwall	0	EA	5500.00	0
Concrete Collar (Grater than 48")	0	EA	5000.00	0
Modified Junction Structure	0	EA	15000.00	0
End Cap	0	EA	1000.00	0
Drains				
Terrace Drain	0	S.F.	10.00	0
Down Drain	0	S.F.	10.00	0
Parkway Drain	0	EA	3500.00	0
Under Sidewalk	0	EA	600.00	0
Curb Outlet	0	EA	250.00	0
"V" Gutter	0	S.F.	10.00	0
	0		0.00	0
Miscellaneous				
Rip Rap	0	TON	60.00	0
Concrete Pipe Slope Anchor	0	EA	2500.00	0
Manhole Shaft	0		6000.00	0
Access Opening	0		15000.00	0
			SUBTOTAL:	7,200

10/23/14
VBSG

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 6 of 8

PROJECT: PA14-0021

DATE: 09/08/14
PREPARED BY: Walden & Associat

PUBLIC WATER SYSTEMS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Water System				
4" PVC C-900	0	L.F.	25.00	0
6" PVC C-900	0	L.F.	30.00	0
8" PVC C-900	10	L.F.	35.00	350
10" PVC C-900	0	L.F.	40.00	0
12" PVC C-900	0	L.F.	60.00	0
16" PVC C-900	0	L.F.	90.00	0
18" PVC C-900	0	L.F.	135.00	0
20" PVC C-900	0	L.F.	180.00	0
	0	L.F.	0.00	0
Valves - Water System				
4" Gate Valve	0	EA	715.00	0
6" Gate Valve	0	EA	830.00	0
8" Gate Valve	1	EA	1,340.00	1,340
10" Gate Valve	0	EA	1,500.00	0
12" Gate Valve	0	EA	2,300.00	0
16" Gate Valve	0	EA	6,270.00	0
18" Gate Valve	0	EA	14,300.00	0
4" Butterfly Valve	0	EA	330.00	0
6" Butterfly Valve	0	EA	520.00	0
8" Butterfly Valve	0	EA	990.00	0
10" Butterfly Valve	0	EA	1,200.00	0
12" Butterfly Valve	0	EA	1,800.00	0
16" Butterfly Valve	0	EA	2,700.00	0
18" Butterfly Valve	0	EA	2,800.00	0
20" Butterfly Valve	0	EA	4,200.00	0
24" Butterfly Valve	0	EA	5,200.00	0
1" Air Vac Release	0	EA	2,400.00	0
2" Air Vac Release	0	EA	4,000.00	0
2" Backflow Preventor, Pad & Cover	2	EA	4,300.00	8,600
4" Blow Off	0	EA	3,500.00	0
6" Blow Off	0	EA	4,000.00	0
	0		0.00	0
Fire Hydrants - Water System				
6" Standard Fire Hydrants	0	EA	4,000.00	0
6" Super Fire Hydrants	1	EA	4,500.00	4,500
	0		0.00	0
Services Connections				
1" Service	0	EA	800.00	0
1" Service w/ 5/8" Service	0	EA	2,000.00	0
1 1/2" Service	1	EA	1,100.00	1,100
2" Service	1	EA	1,600.00	1,600
	0		0.00	0
Fittings - Water System				
Misc. Fittings 4"	0		120.00	0
Misc. Fittings 6"	0		160.00	0
Misc. Fittings 8"	0		200.00	0
Misc. Fittings 10"	0		240.00	0
Misc. Fittings 12"	0		750.00	0
	0		0.00	0
Water Meters - Water System				
5/8" Meter	0		230.00	0
1" Meter	0		320.00	0
1 1/2" Meter	1		420.00	420
2" Meter	1		525.00	525
	0		0.00	0
Hot Tap Connections - Water System				
6" Hot Tap	0	EA	1,750.00	0
8" Hot Tap	1	EA	2,200.00	2,200
12" Hot Tap	0	EA	3,150.00	0
Hot Tap Service Clamp	0	EA	1,000.00	0
Water Service	0	EA	330.00	0
	0		0.00	0
Miscellaneous - Water System				
Thrust Block	1	CY	150.00	150
Jack & Bore	0	L.F.	300.00	0
Joint at Existing 8"	0	EA	650.00	0
Adjust Water Meter Box to Grade	0	EA	235.00	0
	0		0.00	0
SUBTOTAL:				20,785

10/23/14
VBC

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 7 of 8

PROJECT: PA14-0021

DATE: 09/08/14
PREPARED BY: Walden & Associates

PUBLIC SEWER SYSTEMS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Sewer System				
4" V.C. Pipe	0	L.F.	25.00	0
6" V.C. Pipe	60	L.F.	40.00	2,400
8" V.C. Pipe	0	L.F.	55.00	0
10" V.C. Pipe	0	L.F.	60.00	0
12" V.C. Pipe	0	L.F.	70.00	0
15" V.C. Pipe	0	L.F.	80.00	0
18" V.C. Pipe	0	L.F.	160.00	0
21" V.C. Pipe	0	L.F.	180.00	0
24" V.C. Pipe	0	L.F.	195.00	0
27" V.C. Pipe	0	L.F.	215.00	0
30" V.C. Pipe	0	L.F.	235.00	0
33" V.C. Pipe	0	L.F.	280.00	0
36" V.C. Pipe	0	L.F.	300.00	0
4" SDR - 35	0	L.F.	25.00	0
6" SDR - 35	0	L.F.	30.00	0
8" SDR - 35	0	L.F.	35.00	0
10" SDR - 35	0	L.F.	45.00	0
12" SDR - 35	0	L.F.	54.00	0
15" SDR - 35	0	L.F.	90.00	0
Concrete Encasement	0	L.F.	20.00	0
	0		0.00	0
Cleans Outs - Sewer System				
Clean-outs	1	EA	730.00	730
Clean Out Lateral	0	EA	200.00	0
	0		0.00	0
Manholes - Sewer System				
Standard Manhole 48"	0	EA	3,140.00	0
Standard Manhole 48" Extra Depth	0	EA	3,500.00	0
Standard Manhole 60"	0	EA	4,500.00	0
Shallow Manhole	0	EA	3,300.00	0
Adjust Manhole to Grade	0	EA	630.00	0
Tie Into Existing Manhole	0	EA	2,100.00	0
Rechannel Existing Manhole	0	EA	1,500.00	0
Join Existing 8" Pipe	0	EA	1,500.00	0
Join Existing 12" Pipe	1	EA	2,000.00	2,000
Pavement around MH	0	S.F.	14.00	0
	0		0.00	0
Miscellaneous - Sewer System				
Wyes	0	EA	90.00	0
TV Sewer	0	L.F.	1.20	0
Trench Paving	200	S.F.	5.00	1,000
Pavement Replacement	0	S.F.	3.00	0
			SUBTOTAL:	6,130

10/23/14
VBSG

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 8 of 8

CITY OF MORENO VALLEY
PUBLIC WORKS DEPARTMENT - LAND DEVELOPMENT DIVISION
BOND COMPUTATION SHEET

PROJECT: PA14-0021

DATE: 09/08/14
PREPARED BY: Walden & Associates

IMPROVEMENT TYPE:

PAVEMENT SECTION WORK	\$0
OFFSITE STREET WORK	\$25,223
SPECIAL DISTRICTS	\$18,000
MORENO VALLEY UTILITIES	\$0
WATER QUALITY BASIN	\$0
TRANSPORTATION ENGINEERING	\$0
STORM DRAIN SYSTEM	\$7,200
WATER SYSTEM	\$20,785
SEWER SYSTEM	\$8,130
TRAFFIC IMPROVEMENTS	\$200
MONUMENTS/OTHER	\$0
TOTAL COST (VALUE) OF IMPROVEMENTS	\$77,538
+20% CONTINGENCY:	\$15,508
<u>GRAND TOTAL:</u>	\$93,046

<u>FIDELITY PERFORMANCE SECURITY AMOUNT:</u>	\$94,000
<u>+ADDITIONAL 50% CONTINGENCY**</u>	\$47,000
<u>GRAND TOTAL:</u>	\$141,000

<u>LABOR & MATERIAL SECURITY AMOUNT:</u>	\$47,000
<u>+ADDITIONAL 50% CONTINGENCY**</u>	\$23,500
<u>GRAND TOTAL:</u>	\$70,500

*The cost for securing payment of Labor and Materials is fifty (50) percent of the total cost estimate of the improvements.
**Additional 50% required when street improvement plans have not yet been approved



FAITHFUL PERFORMANCE BOND

**City of Moreno Valley
County of Riverside
State of California
(Government Code Section 66499.1)**

Public Improvements \$141,000

Project No. PA14-0021 (PM 36752)

Bond No. 106113197

Premium \$1,410.00

Surety Travelers Casualty and Surety Company of America

Principal CP Moreno Valley DPSS, LLC
a limited liability company.

Address 21688 Gateway Center Drive

Address 2890 Kilgore Road, Suite 175

City/Zip Diamond Bar, CA 91765

City/Zip Rancho Cordova, CA 95670

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and **CP Moreno Valley DPSS, LLC a limited liability company**, (hereinafter designated as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to **PA14-0021 (PM 36752)**, which agreement is hereby referred to and made a part hereof; and,

WHEREAS, said principal is required under the terms of said agreement to furnish bond for the faithful performance of said agreement;

NOW, THEREFORE, we the Principal, and Travelers Casualty and Surety Company of America, as Surety, are held and firmly bound to the City of Moreno Valley in the penal sum of **ONE HUNDRED FORTY ONE THOUSAND AND NO/100** Dollars (*****\$141,000.00*****), lawful money of the United States, for the payment of which sum will and truly to be made, we bind ourselves, our heirs, successors, executors and administrator, jointly and severally, firmly by these presents.

The condition of this obligation is such that if the above bonded Principal, his or its heirs, executors, administrators, successors, or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the City of Moreno Valley, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

As part of the obligation secured hereby, and in addition to the face amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

FAITHFUL PERFORMANCE BOND (Page 2 of 2)
PROJECT NO. PA14-0021 (PM 36752)

The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or to the work to be performed thereunder or the specifications accompanying the same shall in anywise affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the agreement or to the work or to the specifications. Surety further stipulates and agrees that the provisions of Section 2845 of the Civil Code are not a condition precedent to Surety's obligations hereunder and are hereby waived by Surety.

When the work covered by the agreement is complete, the City Council of the City of Moreno Valley will accept the work and thereupon the amount of the obligation of this bond is reduced by 90%, with the remaining 10% held as security for the one-year maintenance period provided for in the agreement(s).

IN WITNESS WHEREOF, this instrument has been duly executed by the Principal and Surety above named on November 12, 2014.

NAME OF PRINCIPAL: CP Moreno Valley DPSS, LLC a limited liability company.
Company Name

AUTHORIZED SIGNATURE(S): By

John A. Bushel Manager
Name Title
Name Title

NAME OF SURETY: Travelers Casualty and Surety Company of America
Company Name

AUTHORIZED SIGNATURE:

Richard Adair,
Richard Adair,

ITS ATTORNEY-IN-FACT

**ATTACH NOTARIAL ACKNOWLEDGMENT OF SIGNATURE OF PRINCIPAL AND ATTORNEY-IN-FACT.
BOND COMPANY – ATTACH POWER OF ATTORNEY**

Approved as to form:

Date: _____

City Attorney
City of Moreno Valley

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

State of California

County of Sacramento

On 11/13/2014 before me, S. Caruso, Notary Public

personally appeared John A. Buckel

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: S. Caruso

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Faithful Performance Bond

Document Date: 11/12/2014 Number of Pages: 2

Signer(s) Other Than Named Above: Richard Adair

Capacity(ies) Claimed by Signer(s)

Signer's Name: John A. Buckel Signer's Name: _____

- Corporate Officer — Title(s): _____
- Individual
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: Member

Signer Is Representing: _____ Signer Is Representing: _____

CP Moreno Valley DPSS, LLC

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA

County of Los Angeles }

On November 12, 2014 before me, Corinne L. Hernandez, Notary Public,
Date Here Insert Name and Title of the Officer

personally appeared Richard Adair
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal:

Signature Corinne L. Hernandez
Signature of Notary Public



Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

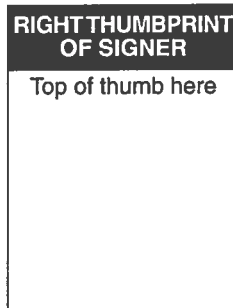
Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

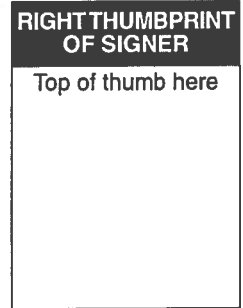
- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing:
Travelers Casualty and Surety
Company of America

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing:



POWER OF ATTORNEY

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company

Attorney-In Fact No. 226116

Certificate No. 005943745

KNOW ALL MEN BY THESE PRESENTS: That Farmington Casualty Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company are corporations duly organized under the laws of the State of Connecticut, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc., is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint

Richard Adair

of the City of Glendale, State of California, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 5th day of June, 2014.

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company



State of Connecticut
City of Hartford ss.

By: [Signature]
Robert L. Raney, Senior Vice President

On this the 5th day of June, 2014, before me personally appeared Robert L. Raney, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.
My Commission expires the 30th day of June, 2016.



[Signature]
Marie C. Tetreault, Notary Public

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MATERIAL AND LABOR BOND

**City of Moreno Valley
County of Riverside
State of California
(Government Code Section 66499.2)**

Public Improvements \$70,500

Project No. PA14-0021 (PM 36752)

Bond No. 106113197

Premium Included In Performance Bond

Surety Travelers Casualty and Surety Company of America

Principal CP Moreno Valley DPSS, LLC
a limited liability company.

Address 21688 Gateway Center Drive

Address 2890 Kilgore Road, Suite 175

City/Zip Diamond Bar, CA 91765

City/Zip Rancho Cordova, CA 95670

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and **CP Moreno Valley DPSS, LLC a limited liability company**, (hereinafter designated as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to **PA14-0021 (PM 36752)**, which agreement is hereby referred to and made a part hereof; and,

WHEREAS, under the terms of said agreement, principal is required before entering upon the performance of the work, to file a good and sufficient payment bond with the City of Moreno Valley to secure the claims to which reference is made in Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code of the State of California.

NOW, THEREFORE, we the Principal, and the undersigned as corporate Surety, are held and firmly bound unto the City of Moreno Valley and all contractors, subcontractors, laborers, material persons and other persons employed in the performance of the aforesaid agreement and referred to in the aforesaid Civil Code in the sum of **SEVENTY THOUSAND FIVE HUNDRED AND NO/100** Dollars (*****\$70,500.00*****), lawful money of the United States, for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said Surety will pay the same in an amount not exceeding the amount hereinabove set forth, also in case suit is brought upon this bond, will pay, in addition to the face amount hereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgement therein rendered.

It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies and corporations entitled to file claims under Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

MATERIAL AND LABOR BOND (Page 2 of 2)
PROJECT NO. PA14-0021 (PM 36752)

Should the condition of this bond be fully performed, then this obligation shall become null and void, otherwise it shall be and remain in full force and effect.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or the specifications accompanying the same shall in any manner affect its obligation on this bond, and it does hereby waive notice of any such change, extension, alteration or addition. Surety further stipulates and agrees that the provision of Section 2845 of the Civil Code are not a condition precedent to the Surety's obligations hereunder and hereby waived by the Surety.

In witness whereof, this instrument has been duly executed by the Principal and Surety above named, on November 12, 2014.

NAME OF PRINCIPAL: CP Moreno Valley DPSS, LLC a limited liability company.
Company Name

AUTHORIZED SIGNATURE(S):

John A. Buckel Manager
Name Title

Name Title

NAME OF SURETY: Travelers Casualty and Surety Company of America
Company Name

AUTHORIZED SIGNATURE: Richard Adair
Richard Adair, ITS ATTORNEY-IN-FACT

ATTACH NOTARIAL ACKNOWLEDGMENT OF SIGNATURE OF PRINCIPAL AND ATTORNEY-IN-FACT.
BOND COMPANY – ATTACH POWER OF ATTORNEY

Approved as to form:

Date: _____

City Attorney
City of Moreno Valley

W:\LandDev\MANAGEMENT ASSISTANT\Agreement Bond Packets\Boiler - Material Labor Bond.DOC

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

State of California

County of Sacramento

On 11/13/2014 before me, S. Caruso, Notary Public

personally appeared John A. Buckel

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature: S. Caruso

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Material and Labor Bond

Document Date: 11/12/2014 Number of Pages: 2

Signer(s) Other Than Named Above: Richard Adair

Capacity(ies) Claimed by Signer(s)

- | | |
|--|--|
| Signer's Name: _____ | Signer's Name: _____ |
| <input type="checkbox"/> Corporate Officer — Title(s): _____ | <input type="checkbox"/> Corporate Officer — Title(s): _____ |
| <input type="checkbox"/> Individual | <input type="checkbox"/> Individual |
| <input type="checkbox"/> Partner — <input type="checkbox"/> Limited <input type="checkbox"/> General | <input type="checkbox"/> Partner — <input type="checkbox"/> Limited <input type="checkbox"/> General |
| <input type="checkbox"/> Attorney in Fact | <input type="checkbox"/> Attorney in Fact |
| <input type="checkbox"/> Trustee | <input type="checkbox"/> Trustee |
| <input type="checkbox"/> Guardian or Conservator | <input type="checkbox"/> Guardian or Conservator |
| <input checked="" type="checkbox"/> Other: <u>Member</u> | <input type="checkbox"/> Other: _____ |

Signer Is Representing: CP Moreno Valley DPSS, LLC

Signer Is Representing: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA

County of Los Angeles

On November 12, 2014 before me, Corinne L. Hernandez, Notary Public,
Date Here Insert Name and Title of the Officer

personally appeared Richard Adair
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Signature Corinne L. Hernandez
Signature of Notary Public



Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

Signer Is Representing:
Travelers Casualty and Surety Company of America

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

Signer Is Representing:



POWER OF ATTORNEY

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company

Attorney-In Fact No. 226116

Certificate No. 005943744

KNOW ALL MEN BY THESE PRESENTS: That Farmington Casualty Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company are corporations duly organized under the laws of the State of Connecticut, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc., is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint

Richard Adair

of the City of Glendale, State of California, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 5th day of June, 2014.

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company



State of Connecticut
City of Hartford ss.

By: [Signature]
Robert L. Raney, Senior Vice President

On this the 5th day of June, 2014, before me personally appeared Robert L. Raney, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.
My Commission expires the 30th day of June, 2016.



[Signature]
Marie C. Tetreault, Notary Public

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>d</i>

Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, P.E., Public Works Director/City Engineer

AGENDA DATE: December 9, 2014

TITLE: PA13-0012 (PM 36463) HARBOR FREIGHT TOOLS EXPANSION LOCATED AT 23400 CACTUS AVENUE – APPROVE PARCEL MAP 36463 BOUNDED BY FREDERICK STREET, BRODIAEA AVENUE, GRAHAM STREET AND CACTUS AVENUE
DEVELOPER – RIDGE MORENO VALLEY, LLC, IRVINE, CA 92612. OWNER – IIT INLAND EMPIRE LOGISTICS CENTER LP, NEWPORT BEACH, CA 92660

RECOMMENDED ACTION

Recommendations:

1. Approve Parcel Map 36463 for PA13-0012.
2. Authorize the City Clerk to sign the map and transmit map to the County Recorder's Office for recordation.

SUMMARY

This report recommends approval of Parcel Map 36463, which is owned by IIT Inland Empire Logistics Center LP and is being developed by Ridge Moreno Valley Property, LLC. The project is for the Harbor Freight Tools Expansion located at 23400 Cactus Avenue and is funded by Ridge Moreno Valley Property, LLC. The project is bounded by Frederick Street on the west side, Brodiaea Avenue on the north side, Graham Street on the east side and Cactus Avenue on the south side.

DISCUSSION

On December 12, 2013, the Planning Commission of the City of Moreno Valley approved Tentative Parcel Map 36463 (PA13-0012). The developer proposes to record

a parcel map over two (2) existing parcels. The parcel map allows for the expansion/construction of an additional 507,720 square-feet to an existing 779,016 square-foot facility operated by Harbor Freight Tools. The final warehouse distribution facility will be 1,286,736 square-feet. There are minor public improvements associated with the project that did not require the developer to enter into a Public Improvement Agreement with the City, therefore, only the parcel map requires approval for recordation purposes. The building is located on the north side of Cactus Avenue east of Frederick Street.

Parcel Map No. 36463 is in substantial conformance with the approved tentative map. The developer has requested that the map be approved for recordation. The Conditions of Approval for this project require that the developer record a parcel map prior to the issuance of a certificate of occupancy for the proposed building expansion.

FISCAL IMPACT

No fiscal impact is anticipated.

CITY COUNCIL GOALS

PUBLIC FACILITIES AND CAPITAL PROJECTS:

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

NOTIFICATION

Publication of agenda.

ATTACHMENTS

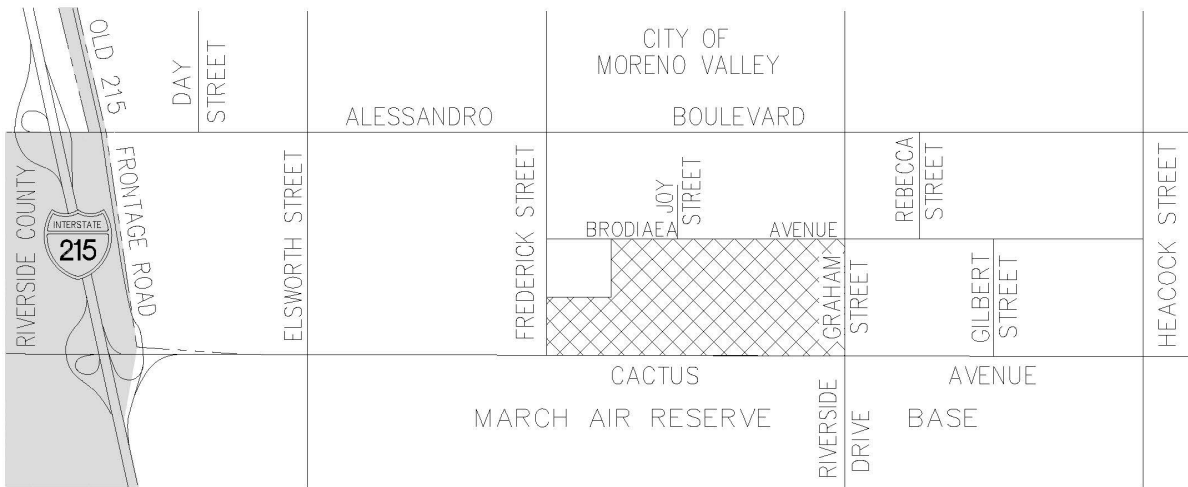
Attachment 1 – Vicinity Map

Prepared By:
Vince Girón
Associate Engineer

Department Head Approval:
Ahmad R. Ansari, P.E.
Public Works Director/City Engineer

Concurred By:
Mark W. Sambito, P.E.
Engineering Division Manager

LEGEND



VICINITY MAP
NOT TO SCALE

**CITY OF MORENO VALLEY
PUBLIC WORKS DEPARTMENT - LAND DEVELOPMENT**

PA13-0012 (PM 36463)

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>R</i>
CITY MANAGER	<i>D</i>

Report to City Council

TO: Mayor and City Council; and Mayor and City Council Acting in their capacity as the City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley

FROM: Richard Teichert, Chief Financial Officer

AGENDA DATE: December 9, 2014

TITLE: ADOPT RESOLUTIONS APPROVING THE TRANSFER OF TITLES FROM PROPERTIES OF THE FORMER COMMUNITY REDEVELOPMENT AGENCY TO THE CITY OF MORENO VALLEY AND AUTHORIZE THE CITY CLERK TO ACCEPT AND CONSENT TO THE DEEDS OR GRANTS OF THE PROPERTIES

RECOMMENDED ACTION

Recommendations:

1. Adopt Resolution No. SA 2014-05. A Resolution of the City Council of the City of Moreno Valley Serving as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley, California, Approving the Transfer of Titles of the Conference and Recreation Center Property and the Property Located at Cactus Avenue and Day Street from the Former Community Redevelopment Agency to the City of Moreno Valley.
2. Adopt Resolution No. 2014-98. A Resolution of the City Council of the City of Moreno Valley, California, Authorizing the City Clerk to Accept and Consent to the Deeds or Grants for the Conference and Recreation Center Property and the Property Located at Cactus Avenue and Day Street being Transferred to the City of Moreno Valley from the Former Community Redevelopment Agency as Assigned to the Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley.
3. Authorize the Executive Director or their assignee to execute quit claim deeds and to direct staff to take the necessary action to record the fully-executed deeds.

SUMMARY

This report recommends adoption of Resolution No. SA 2014-05 approving and authorizing the transfer of titles for the Conference and Recreation Center property, as well as the property located at Cactus Avenue and Day Street, from the former Community Redevelopment Agency of the City of Moreno Valley (“RDA”) to the City of Moreno Valley, and adoption of Resolution No. 2014-98 authorizing the City Clerk to accept and consent to the deeds or grants of the properties being transferred to the City of Moreno Valley from the former Community Redevelopment Agency of the City of Moreno Valley as assigned to the Successor Agency of the Community Redevelopment Agency of the City of Moreno Valley.

As Successor Agency, the City is responsible for winding down the affairs of the RDA including the disposal of its assets. The Long Range Property Management Plan (“Property Management Plan”) for the disposition of the former RDA real property assets identifies the method(s) in which these assets are to be disposed. The Property Management Plan called for the Conference and Recreation Center property and the property located at Cactus Avenue and Day Street to be transferred to the City. The Property Management Plan was previously approved by the Successor Agency and the Oversight Board in November 2013 as Resolution No. SA 2013-10 and Resolution No. OB 2013-10. The Property Management Plan and the disposition of the properties were also approved by the California Department of Finance on March 6, 2014.

DISCUSSION

The Conference and Recreation Center

In 1994, the Conference and Recreation Center, along with the other adjoining parcels, was acquired for the purpose of development of a governmental center for the City. The Center comprises of City Hall, the Public Safety Building, the Emergency Operations Center, the Conference and Recreation Center and the Veteran’s Memorial Plaza. City Hall was the first building to be constructed, followed by the Public Safety Building. The Conference and Recreation Center, which occupies a portion of the Center was completed in 2005 and the title was transferred to the former Redevelopment Agency as a part of the financing.

Property located at Cactus Avenue and Day Street

After the realignment of the I-215, Caltrans relinquished approximately 16 acres of excess right of way on the north side of Cactus Avenue at the Old 215 frontage road and Day Street to the City. In 2006, in an effort to assist in the development of an adjoining parcel, the Cactus at the Old 215 property was transferred from the City to the former RDA. The development of the property was never materialized and the RDA remains in title to the property. Since the property is relinquished public right-of-way, it was never assessed for tax purposes and, therefore, has no Assessor’s Parcel Number.

Assembly Bill X1 26, effective on June 27, 2011, caused the dissolution of all redevelopment agencies and winding down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 (Dissolution Act). As of February 1, 2012 the RDA was dissolved pursuant to the Dissolution Act, and as a separate legal entity the City now serves as the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley (“Successor Agency”).

Pursuant to the Health & Safety Code, the Successor Agency prepared a Property Management Plan for the former RDA real property assets. The Property Management Plan was approved by the Oversight Board and the California Department of Finance. The Property Management Plan calls for the transfer of title of said properties by way of quit claim deeds, attached hereto as Attachments 3 & 4, in accordance with the Property Management Plan as adopted and approved.

ALTERNATIVES

1. Adopt the attached proposed resolutions, which approve and authorize the transfer of titles, as well as authorizing the City Clerk to accept and consent to deeds or grants to the Conference and Recreation Center and the property located at Cactus Avenue and Day Street from the former Community Redevelopment Agency of the City of Moreno Valley to the City of Moreno Valley. *Staff recommends this alternative because this action would meet the approved conditions set forth in the approved Long-Range Property Management Plan in accordance with the California State legislation.*
2. Decline to adopt the attached proposed resolutions, which could potentially violate the approved conditions set out in the approved Long-Range Property Management Plan. *Staff does not recommend this alternative.*

FISCAL IMPACT

There is no fiscal impact for this action.

NOTIFICATION

No public notice is required prior to the City Council taking action on this item. However, the agenda for the meeting during which this item may be considered has been posted in the three locations that have been designated for the posting of City Council agendas.

ATTACHMENTS

- Attachment 1 – Proposed Resolution
- Attachment 2 – Proposed Resolution
- Attachment 3 – Quit Claim Deed for the Conference & Recreation Center
- Attachment 4 – Quit Claim Deed for the property at Cactus and Day

Prepared By:
Anochar Clark
Sr. Financial Analyst

Department Head Approval:
Richard Teichert
Chief Financial Officer

Concurred By:
Marshall Eyerman
Financial Resources Division Manager

RESOLUTION NO. SA 2014-05

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY SERVING AS SUCCESSOR AGENCY FOR THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPROVING THE TRANSFER OF TITLES OF THE CONFERENCE AND RECREATION CENTER PROPERTY AND THE PROPERTY LOCATED AT CACTUS AVENUE AND DAY STREET FROM THE FORMER COMMUNITY REDEVELOPMENT AGENCY TO THE CITY OF MORENO VALLEY

WHEREAS, prior to February 1, 2012, the Community Redevelopment Agency of the City of Moreno Valley (herein referred to as the "Former Agency") was a community redevelopment agency duly organized and existing under the California Community Redevelopment Law (Health and Safety Code Sections 33000 et seq.), and was authorized to transact business and exercise the powers of a redevelopment agency pursuant to action of the City Council ("City Council") of the City of Moreno Valley ("City"); and

WHEREAS, Assembly Bill x1 26, chaptered and effective on June 27, 2011, added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and winding down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484, chaptered and effective on June 27, 2012 (together, the "Dissolution Act"); and

WHEREAS, as of February 1, 2012 the Former Agency was dissolved pursuant to the Dissolution Act and as a separate legal entity the City serves as the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley ("Successor Agency"); and

WHEREAS, the Successor Agency is responsible for winding down the affairs of the Former Agency, including the disposal of its assets; and

WHEREAS, pursuant to Health & Safety Code Section 34191.5(b), upon the Successor Agency's receipt of a "Finding of Completion" from the California Department of Finance pursuant to Health & Safety Code Section 34179.7, the Successor Agency prepared a long range property management plan ("Property Management Plan") for the Former Agency's real property assets and submit the approved Property Management Plan to the Oversight Board and the Department of Finance for approval, and

WHEREAS, the Property Management Plan was approved by the Oversight Board and the State Department of Finance; and

WHEREAS, the approved Property Management Plan includes the transfer of title to certain parcels of real property, including parcels pertaining to the Conference and Recreation Center (herein referred to as the Conference and Recreation parcels) and the parcel located at Cactus Avenue and Day Street (herein referred to as the

Cactus Avenue and Day Street parcel), from the Former Agency to the City of Moreno Valley; and

WHEREAS, by this Resolution, the Successor Agency desires to transfer titles to the Conference and Recreation parcels and to the Cactus Avenue and Day Street parcel using the form of the quit claim deeds submitted to the City of Moreno Valley by the Successor Agency.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, SERVING AS THE SUCCESSOR AGENCY, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The foregoing recitals are true and correct and constitute a substantive part of this Resolution.

SECTION 2. The Successor Agency hereby approves the transfer of titles as shown on the quit claim deeds in the form submitted to the Successor Agency concurrently herewith and authorizes the Executive Director or nominee to execute the documents necessary to effect the title transfer and record the fully-executed deeds.

SECTION 3. This Resolution shall be effective immediately upon adoption.

SECTION 4. The Successor Agency shall maintain on file as a public record this Resolution as approved hereby.

SECTION 5. The City Clerk shall certify to the adoption of this resolution.

APPROVED AND ADOPTED this 9th day of December 2014.

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

2
Resolution No. SA 2014-05
Date Adopted: December 09, 2014

RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. SA 2014-05 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 9th day of December, 2014, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

Resolution No. SA 2014-05³
Date Adopted: December 09, 2014

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RESOLUTION NO. 2014-98

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, AUTHORIZING THE CITY CLERK TO ACCEPT AND CONSENT TO THE DEEDS OR GRANTS FOR THE CONFERENCE AND RECREATION CENTER PROPERTY AND THE PROPERTY LOCATED AT CACTUS AVENUE AND DAY STREET BEING TRANSFERRED TO THE CITY OF MORENO VALLEY FROM THE FORMER COMMUNITY REDEVELOPMENT AGENCY AS ASSIGNED TO THE SUCCESSOR AGENCY FOR THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY

WHEREAS, Section 27281 of the Government Code provides that deeds or grants conveying an interest in or easement upon real estate to a political corporation or governmental agency for public purposes shall not be accepted for recordation without the consent of the grantee evidenced by its certificate or resolution of acceptance attached to or printed upon the deed or grant; and

WHEREAS, Section 27281 of the Government Code also provides that a political corporation or governmental agency may, by general resolution, authorize an officer or agent of the grantee to accept and consent to such deeds or grants; and

WHEREAS, the Mayor and Council of the City of Moreno Valley desires and believes that it is in the best interests of convenience and efficiency for the City to designate the City Clerk as the officer authorized to accept on behalf of the City deeds and grants for properties acquired by or assigned to the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF MORENO VALLEY:

SECTION 1. The City Clerk of the City of Moreno Valley is authorized to accept and consent to the deeds and grants conveying properties acquired by or assigned to the City of Moreno Valley.

SECTION 2. Whenever the City Clerk consents to the deeds or grants conveying properties acquired by or assigned to the City of Moreno Valley, the City Clerk shall execute a certificate of acceptance and consent in substantially the following form.

This is to certify that the interest in real property conveyed by the deeds or grants dated _____ from the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley to the City of Moreno Valley, a political corporation, in the forms attached as Exhibits A & B hereto, are hereby accepted by the undersigned City Clerk (or his/her assignee) on behalf of the City of Moreno Valley pursuant to authority conferred by Resolution No. 2014-98 of the Mayor and Council of the City of

1
Resolution No. 2014-98
Date Adopted: December 9, 2014

Moreno Valley adopted December 9, 2014 and the grantee consents to recordation thereof by the City Clerk.

APPROVED AND ADOPTED this 9th day of December, 2014.

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

Resolution No. 2014-98²
Date Adopted: December 9, 2014

RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2014-98 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 9th day of December, 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

3
Resolution No. 2014-98
Date Adopted: December 9, 2014

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property, if any, conveyed under the foregoing Quitclaim Deed by the Successor Agency to the City of Moreno Valley as to the following property:

PARCEL 1 OF PARCEL MAP 17864, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 129, PAGES 79 THROUGH 82, INCLUSIVE, OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT FROM THE ABOVE DESCRIBED PARCEL, THAT PORTION DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID PARCEL 1; THENCE ON THE SOUTHERLY LINE OF SAID PARCEL 1, SOUTH 88° 40' 53" EAST, 1,036.43 FEET TO A POINT ON THE WESTERLY LINE OF SAID PARCEL 1, SAID POINT ALSO BEING ON THE EASTERLY LINE OF PARCEL 10 OF SAID PARCEL MAP NO. 17864; THENCE ON SAID EASTERLY LINE OF SAID PARCEL NO. 10 NORTH 00° 06' 25" WEST, 60.02 FEET; THENCE NORTH 88° 40' 53" EAST, 1,036.43 FEET TO A POINT ON THE EASTERLY LINE OF SAID PARCEL 1, SAID POINT ALSO BEING ON THE WESTERLY SIDELINE OF FREDERICK STREET; THENCE SOUTHERLY ON SAID EASTERLY LINE SOUTH 00° 06' 28" EAST, 60.02 FEET TO THE POINT OF BEGINNING.

APN: 297-140-046 and 047

is hereby accepted by the City Clerk on behalf of the City of Moreno Valley pursuant to authority conferred by Resolution No. _____ of said City adopted on December 9, 2014, and the Grantee consents to recordation thereof by its duly authorized officer.

CITY OF MORENO VALLEY

By: _____
City Clerk

4
Resolution No. 2014-98
Date Adopted: December 9, 2014

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____ before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

SIGNATURE OF NOTARY PUBLIC

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____ before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

SIGNATURE OF NOTARY PUBLIC

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property, if any, conveyed under the foregoing Quitclaim Deed by the Successor Agency to the City of Moreno Valley as to the following property:

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

THAT PORTION OF THAT CERTAIN UNNAMED STREET, 60.00 FEET WIDE AND NOW KNOWN AS DAY STREET, BEING ALSO A PORTION OF LOT 1 IN BLOCK 13 OF ALESSANDRO TRACT, AS SHOWN BY MAP RECORDED IN BOOK 6, PAGE 13, OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTHERLY LINE OF THAT CERTAIN PARCEL OF LAND ACQUIRED BY THE UNITED STATES OF AMERICA BY DECREE OF TAKING, A CERTIFIED COPY OF WHICH WAS RECORDED MARCH 2, 1942 IN BOOK 532, PAGE, 311, OFFICIAL RECORDS. AND BY DECREE ON AMENDED DECLARATION OF TAKING, A CERTIFIED COPY OF WHICH WAS RECORDED FEBRUARY 24, 1943 IN BOOK 571, PAGE, 236. OFFICIAL RECORDS, WITH THE WEST LINE OF SAID UNNAMED STREET, 60.00 FEET WIDE, NOW KNOWN AS DAY STREET;

THENCE ALONG SAID WEST LINE NORTH 0° 12' 02" EAST, 526.03 FEET; THENCE SOUTH 67° 14' 15" EAST, 64.92 FEET TO THE EAST LINE OF SAID DAY STREET;

THENCE ALONG SAID EAST LINE SOUTH 0° 12' 02" WEST, 500.74 FEET TO SAID NORTHERLY LINE OF THE UNITED STATES OF AMERICA PARCEL OF LAND, DISTANT ALONG SAID NORTHERLY LINE NORTH 89° 51' 15" EAST, 60.00 FEET FROM THE POINT OF BEGINNING; THENCE ALONG SAID NORTHERLY LINE SOUTH 89° 51' 15" WEST, 60.00 FEET TO THE POINT OF BEGINNING.

PARCEL 2:

THAT PORTION OF LOT 1 IN BLOCK 13 OF ALESSANDRO TRACT, AS SHOWN BY MAP RECORDED IN BOOK 6, PAGE 13, OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, LYING WITHIN THE FOLLOWING DESCRIBED PROPERTY:

BEGINNING AT THE INTERSECTION OF THE NORTHERLY LINE OF THAT CERTAIN PARCEL OF LAND ACQUIRED BY THE UNITED STATES OF AMERICA BY DECREE

OF TAKING, A CERTIFIED COPY OF WHICH WAS RECORDED MARCH 2, 1942 IN BOOK 532, PAGE 311, OFFICIAL RECORDS, AND BY DECREE ON AMENDED DECLARATION OF TAKING, A CERTIFIED COPY OF WHICH WAS RECORDED FEBRUARY 24, 1943 IN BOOK 571, PAGE 236, OFFICIAL RECORDS, WITH THE EAST LINE OF THAT CERTAIN UNNAMED STREET, 60.00 FEET WIDE, NOW KNOWN AS DAY STREET;

THENCE ALONG SAID EAST LINE NORTH 0° 12' 02" EAST, 500.74 FEET;

THENCE SOUTH 67° 14' 15" EAST, 271.65 FEET;

THENCE SOUTH 71° 20' 01" EAST, 149.00 FEET;

THENCE SOUTH 67° 14' 15" EAST, 400.00 FEET;

THENCE ALONG A TANGENT CURVE CONCAVE NORTHEASTERLY WITH A RADIUS OF 940.00 FEET. THROUGH AN ANGLE OF 22° 54' 30". 375.84 FEET;

THENCE NORTH 89° 51' 15" EAST, 1,466.78 FEET TO THE WEST LINE OF THAT CERTAIN UNNAMED STREET, 60.00 FEET WIDE, NOW KNOWN AS ELLSWORTH STREET;

THENCE ALONG SAID WEST LINE SOUTH 0° 02' 06" WEST, 120.00 FEET TO SAID NORTHERLY LINE OF THE UNITED STATES OF AMERICA PARCEL OF LAND, DISTANT ALONG SAID NORTHERLY LINE NORTH 89° 51' 15" EAST, 2,586.53 FEET FROM THE POINT OF BEGINNING;

THENCE ALONG SAID NORTHERLY LINE SOUTH 89° 51' 15" WEST, 2,586.53 FEET TO THE POINT OF BEGINNING.

PARCEL 3:

THAT PORTION OF LOT 4 IN BLOCK 12 OF ALESSANDRO TRACT, IN THE CITY OF MORENO VALLEY, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 6, PAGE 13, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTHERLY LINE OF THAT CERTAIN PARCEL OF LAND ACQUIRED BY THE UNITED STATES OF AMERICA BY DECREE OF TAKING, A CERTIFIED COPY OF WHICH WAS RECORDED MARCH 2, 1942 IN BOOK 532, PAGE 311, OFFICIAL RECORDS, AND BY DECREE ON AMENDED DECLARATION OF TAKING, A CERTIFIED COPY OF WHICH WAS RECORDED FEBRUARY 24, 1943 I BOOK 571, PAGE 236, OFFICIAL RECORDS WITH THE EASTERLY LINE OF THAT CERTAIN PARCEL OF LAND ACQUIRED BY THE STATE OF CALIFORNIA, AS PARCEL NO. 35 IN DECREE OF CONDEMNATION. A CERTIFIED

COPY OF WHICH WAS RECORDED MAY 18, 1943 IN BOOK 580, PAGE 327, OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

THENCE ALONG SAID EASTERLY LINE NORTH 19° 57' 35" WEST 1,047.38 FEET;

THENCE SOUTH 24° 06' 50" EAST 140.16 FEET;

THENCE ALONG A TANGENT CURVE CONCAVE NORTHEASTERLY WITH A RADIUS OF 224.00 FEET; THROUGH AN ANGLE OF 43° 07' 25", 168.59 FEET;

THENCE SOUTH 67° 14' 15" EAST 540.66 FEET TO THE WEST LINE OF THAT CERTAIN UNNAMED STREET 60.00 FEET WIDE AS SHOWN ON SAID ~, NOW KNOWN AS DAY STREET;

THENCE ALONG SAID WEST LINE SOUTH 0° 12' 02" WEST 526.03 FEET TO SAID NORTHERLY LINE OF THE UNITED STATES OF AMERICA PARCEL OF LAND, DISTANT ALONG SAID NORTHERLY LINE NORTH 89° 51' 15" EAST 316.68 FEET FROM THE POINT OF BEGINNING;

THENCE ALONG SAID NORTHERLY LINE SOUTH 89° 51' 15" WEST 316.88 FEET TO THE POINT OF BEGINNING.

APN: N/A

is hereby accepted by the City Clerk on behalf of the City of Moreno Valley pursuant to authority conferred by Resolution No. _____ of said City adopted on December 9, 2014, and the Grantee consents to recordation thereof by its duly authorized officer.

CITY OF MORENO VALLEY

By: _____
City Clerk

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____ before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

SIGNATURE OF NOTARY PUBLIC

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____ before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

SIGNATURE OF NOTARY PUBLIC

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RECORDING REQUESTED BY,
MAIL TAX STATEMENTS TO AND
WHEN RECORDED MAIL TO:

Moreno Valley Housing Authority
14177 Frederick Street
Moreno Valley, CA 92553
Attn: Executive Director

APN: 297-140-046 and 047

MAIL TAX STATEMENTS TO:
DOCUMENTARY TRANSFER TAX \$(exempt; no
consideration)

QUITCLAIM DEED

For valuable consideration, receipt of which is hereby acknowledged,

The **SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY** (the "Grantor") hereby does REMISE, RELEASE, AND FOREVER QUITCLAIM To the **CITY OF MORENO VALLEY**, a municipal corporation organized and existing under and by virtue of the laws of the State of California ("Grantee"), all of Grantor's right, title, and interest in and to that certain real property the real property described in Exhibit A attached hereto and incorporated herein by this reference.

IN WITNESS WHEREOF, Grantor has executed this Quitclaim Deed as of _____, 2014.

SUCCESSOR AGENCY:

**SUCCESSOR AGENCY TO THE COMMUNITY
REDEVELOPMENT AGENCY OF THE CITY
OF MORENO VALLEY**

By: _____

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1 OF PARCEL MAP 17864, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 129, PAGES 79 THROUGH 82, INCLUSIVE, OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT FROM THE ABOVE DESCRIBED PARCEL, THAT PORTION DESCRIBED AS FOLLOWS:

**BEGINNING AT THE SOUTHEAST CORNER OF SAID PARCEL 1;
THENCE ON THE SOUTHERLY LINE OF SAID PARCEL 1, SOUTH 88° 40' 53" EAST, 1,036.43 FEET TO A POINT ON THE WESTERLY LINE OF SAID PARCEL 1, SAID POINT ALSO BEING ON THE EASTERLY LINE OF PARCEL 10 OF SAID PARCEL MAP NO. 17864;
THENCE ON SAID EASTERLY LINE OF SAID PARCEL NO. 10 NORTH 00° 06' 25" WEST, 60.02 FEET;
THENCE NORTH 88° 40' 53" EAST, 1,036.43 FEET TO A POINT ON THE EASTERLY LINE OF SAID PARCEL 1, SAID POINT ALSO BEING ON THE WESTERLY SIDELINE OF FREDERICK STREET;
THENCE SOUTHERLY ON SAID EASTERLY LINE SOUTH 00° 06' 28" EAST, 60.02 FEET TO THE POINT OF BEGINNING.**

APN: 297-140-046 and 047

RECORDING REQUESTED BY,
MAIL TAX STATEMENTS TO AND
WHEN RECORDED MAIL TO:

The City of Moreno Valley
14177 Frederick Street
Moreno Valley, CA 92553
Attn: City Clerk

APN: N/A

MAIL TAX STATEMENTS TO:
DOCUMENTARY TRANSFER TAX \$(exempt; no
consideration)

QUITCLAIM DEED

For valuable consideration, receipt of which is hereby acknowledged,

The **SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY** (the “Grantor”) hereby does REMISE, RELEASE, AND FOREVER QUITCLAIM To the **CITY OF MORENO VALLEY**, a Municipal Corporation (“Grantee”), all of Grantor’s right, title, and interest in and to that certain real property the real property described in Exhibit A attached hereto and incorporated herein by this reference.

IN WITNESS WHEREOF, Grantor has executed this Quitclaim Deed as of _____, 2014.

SUCCESSOR AGENCY:

**SUCCESSOR AGENCY TO THE COMMUNITY
REDEVELOPMENT AGENCY OF THE CITY
OF MORENO VALLEY**

By: _____

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

THAT PORTION OF THAT CERTAIN UNNAMED STREET, 60.00 FEET WIDE AND NOW KNOWN AS DAY STREET, BEING ALSO A PORTION OF LOT 1 IN BLOCK 13 OF ALESSANDRO TRACT, AS SHOWN BY MAP RECORDED IN BOOK 6, PAGE 13, OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTHERLY LINE OF THAT CERTAIN PARCEL OF LAND ACQUIRED BY THE UNITED STATES OF AMERICA BY DECREE OF TAKING, A CERTIFIED COPY OF WHICH WAS RECORDED MARCH 2, 1942 IN BOOK 532, PAGE, 311, OFFICIAL RECORDS. AND BY DECREE ON AMENDED DECLARATION OF TAKING, A CERTIFIED COPY OF WHICH WAS RECORDED FEBRUARY 24, 1943 IN BOOK 571, PAGE, 236. OFFICIAL RECORDS, WITH THE WEST LINE OF SAID UNNAMED STREET, 60.00 FEET WIDE, NOW KNOWN AS DAY STREET;

THENCE ALONG SAID WEST LINE NORTH 0° 12' 02" EAST, 526.03 FEET; THENCE SOUTH 67° 14' 15" EAST, 64.92 FEET TO THE EAST LINE OF SAID DAY STREET;

THENCE ALONG SAID EAST LINE SOUTH 0° 12' 02" WEST, 500.74 FEET TO SAID NORTHERLY LINE OF THE UNITED STATES OF AMERICA PARCEL OF LAND, DISTANT ALONG SAID NORTHERLY LINE NORTH 89° 51' 15" EAST, 60.00 FEET FROM THE POINT OF BEGINNING; THENCE ALONG SAID NORTHERLY LINE SOUTH 89° 51' 15" WEST, 60.00 FEET TO THE POINT OF BEGINNING.

PARCEL 2:

THAT PORTION OF LOT 1 IN BLOCK 13 OF ALESSANDRO TRACT, AS SHOWN BY MAP RECORDED IN BOOK 6, PAGE 13, OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, LYING WITHIN THE FOLLOWING DESCRIBED PROPERTY:

BEGINNING AT THE INTERSECTION OF THE NORTHERLY LINE OF THAT CERTAIN PARCEL OF LAND ACQUIRED BY THE UNITED STATES OF AMERICA BY DECREE OF TAKING, A CERTIFIED COPY OF WHICH WAS RECORDED MARCH 2, 1942 IN BOOK 532, PAGE 311, OFFICIAL RECORDS, AND BY DECREE ON AMENDED DECLARATION OF TAKING, A CERTIFIED COPY OF WHICH WAS RECORDED FEBRUARY 24, 1943 IN BOOK 571, PAGE 236, OFFICIAL RECORDS, WITH THE EAST LINE OF THAT CERTAIN UNNAMED STREET, 60.00 FEET WIDE, NOW KNOWN AS DAY STREET;

THENCE ALONG SAID EAST LINE NORTH 0° 12' 02" EAST, 500.74 FEET;

THENCE SOUTH 67° 14' 15" EAST, 271.65 FEET;

THENCE SOUTH 71° 20' 01" EAST, 149.00 FEET;

THENCE SOUTH 67°14' 15" EAST, 400.00 FEET;

THENCE ALONG A TANGENT CURVE CONCAVE NORTHEASTERLY WITH A RADIUS OF 940.00 FEET. THROUGH AN ANGLE OF 22° 54' 30". 375.84 FEET;

THENCE NORTH 89° 51' 15" EAST, 1,466.78 FEET TO THE WEST LINE OF THAT CERTAIN UNNAMED STREET, 60.00 FEET WIDE, NOW KNOWN AS ELLSWORTH STREET;

THENCE ALONG SAID WEST LINE SOUTH 0° 02' 06" WEST, 120.00 FEET TO SAID NORTHERLY LINE OF THE UNITED STATES OF AMERICA PARCEL OF LAND, DISTANT ALONG SAID NORTHERLY LINE NORTH 89° 51' 15" EAST, 2,586.53 FEET FROM THE POINT OF BEGINNING;

THENCE ALONG SAID NORTHERLY LINE SOUTH 89° 51' 15" WEST, 2,586.53 FEET TO THE POINT OF BEGINNING.

PARCEL 3:

THAT PORTION OF LOT 4 IN BLOCK 12 OF ALESSANDRO TRACT, IN THE CITY OF MORENO VALLEY, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 6, PAGE 13, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTHERLY LINE OF THAT CERTAIN PARCEL OF LAND ACQUIRED BY THE UNITED STATES OF AMERICA BY DEGREE OF TAKING, A CERTIFIED COPY OF WHICH WAS RECORDED MARCH 2, 1942 IN BOOK 532, PAGE 311, OFFICIAL RECORDS, AND BY DECREE ON AMENDED DECLARATION OF TAKING, A CERTIFIED COPY OF WHICH WAS RECORDED FEBRUARY 24, 1943 I BOOK 571, PAGE 236, OFFICIAL RECORDS WITH THE EASTERLY LINE OF THAT CERTAIN PARCEL OF LAND ACQUIRED BY THE STATE OF CALIFORNIA, AS PARCEL NO. 35 IN DECREE OF CONDEMNATION. A CERTIFIED COPY OF WHICH WAS RECORDED MAY 18, 1943 IN BOOK 580, PAGE 327, OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

THENCE ALONG SAID EASTERLY LINE NORTH 19° 57' 35" WEST 1,047.38 FEET;

THENCE SOUTH 24° 06' 50" EAST 140.16 FEET;

THENCE ALONG A TANGENT CURVE CONCAVE NORTHEASTERLY WITH A RADIUS OF 224.00 FEET; THROUGH AN ANGLE OF 43° 07' 25", 168.59 FEET;

THENCE SOUTH 67° 14' 15" EAST 540.66 FEET TO THE WEST LINE OF THAT CERTAIN UNNAMED STREET 60.00 FEET WIDE AS SHOWN ON SAID ~, NOW KNOWN AS DAY STREET;

THENCE ALONG SAID WEST LINE SOUTH 0° 12' 02" WEST 526.03 FEET TO SAID NORTHERLY LINE OF THE UNITED STATES OF AMERICA PARCEL OF LAND, DISTANT ALONG SAID NORTHERLY LINE NORTH 89° 51' 15" EAST 316.68 FEET FROM THE POINT OF BEGINNING;

THENCE ALONG SAID NORTHERLY LINE SOUTH 89° 51' 15" WEST 316.88 FEET TO THE POINT OF BEGINNING.



APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>R</i>
CITY MANAGER	<i>D</i>

Report to City Council

TO: Mayor and City Council

FROM: Richard Teichert, Chief Financial Officer

AGENDA DATE: December 9, 2014

TITLE: A RESOLUTION AUTHORIZING THE SUBMITTAL OF AN APPLICATION TO THE CALIFORNIA DEPARTMENT OF WATER RESOURCES FOR THE 2014 WATER-ENERGY GRANT

RECOMMENDED ACTION

Recommendation:

1. Adopt Resolution No. 2014-99. A Resolution of the City Council of the City of Moreno Valley, California, Authorizing the Submittal of an Application to the California Department of Water Resources for the 2014 Water-Energy Grant.

SUMMARY

This report recommends approval and adoption of a Resolution to designate the City Manager, or their appointed designee, as the authorized City representative to submit an application for the 2014 Water-Energy Grant and enter into an Agreement with the State of California, if the City's proposal is awarded grant funding.

The purpose of this grant is to fund water efficiency projects that demonstrate a reduction in greenhouse gas emissions, water consumption and energy usages. Applicants may apply for up to \$2.5 million per project, but may not receive more than \$5 million total in funding for all projects being applied for. Matching funds are not required for award of grant funding.

The City's submission will be for reconstruction of the Alessandro Boulevard medians, from the western boundary of the City to Covey Quail Lane, just west of Indian Street. These medians are outdated and inefficient, requiring significant water resources. Water costs for these medians cost approximately \$27,000 annually. Further, the water

inefficiencies create unnecessary waste and runoff onto the roadway, causing deterioration and an increase in maintenance costs. The proposed reconstruction will not only reconstruct the medians to meet current standards, but redesign the landscaping to reduce water and energy consumption, reduce deterioration to the roadway and update the image of the medians and surrounding area.

The grant application is due by 5 p.m., December 12, 2014. Awards will be announced in April/May of 2015.

DISCUSSION

By way of Senate Bill (SB) 103, Section 11 (2013-2014 Regular Session), the Governor established the 2014 Water-Energy Grant Program on March 1, 2014. Funding for the grant has been appropriated from the Greenhouse Gas Reduction Fund to the Department of Water Resources (DWR), which is making \$19 million in funding available through the 2014 Water-Energy. Proposals submitted may only receive up to \$2.5 million in funding per proposal. An applicant has the potential to receiving up to a \$5 million award. There is no cost sharing requirement.

Grant submission requirements include a Resolution designating an authorized representative to submit the application for the 2014 Water-Energy Grant. If successful, the authorized representative, on behalf of the City, will enter into an Agreement with the State of California for the purposes of receiving the grant. A sample of the Agreement is attached as Attachment 2.

The City's submission will be for reconstruction of the Alessandro Boulevard medians, from the western boundary of the City to Covey Quail Lane, just west of Indian Street. These medians are outdated and inefficient, requiring significant water resources. Water costs for these medians are approximately \$27,000 annually. Further, the water inefficiencies create unnecessary water waste and runoff onto the roadway, causing deterioration and an increase in maintenance costs. The proposed reconstruction will not only reconstruct the medians to meet current standards, but redesign the landscaping to current City standards to reduce water and energy consumption, reduce deterioration to the roadway and update the image of the medians and surrounding area.

ALTERNATIVES

1. Approve and adopt a Resolution authorizing the submittal of an application to the California Department of Water Resources Resolution. Approval of this resolution will authorize the City Manager or their appointed designee as the authorized representative to submit an application for the 2014 Water-Energy Grant and enter into an Agreement on behalf of the City with the State of California to receive the funds to reconstruct the Alessandro Boulevard medians.
2. Do not approve and adopt a Resolution authorizing the submittal of an application to the California Department of Water Resources Resolution. By not

approving and adopting the resolution the City will not be able to submit an application for the grant.

FISCAL IMPACT

There are no costs to the City to prepare and submit the grant, other than staff time. If awarded the grant, the City will realize a savings in water usage for irrigation of the median landscaping, as well as a reduction in maintenance costs for the deterioration caused by water runoff. There are no matching funds required as part of the grant.

CITY COUNCIL GOALS

Revenue diversification and preservation will be possible through the use of grant funds to support essential City facilities.

If funding is awarded, median improvements will be able to be constructed and maintained to help promote a sense of community pride and foster an excellent image about our City.

NOTIFICATION

N/A

ATTACHMENTS

1. Proposed Resolution Authorizing The Submittal Of An Application To The California Department Of Water Resources For The 2014 Water-Energy Grant
2. Sample Grant Agreement with the State of California

Prepared By:
Sharon Sharp
Senior Management Analyst

Department Head Approval:
Richard Teichert,
Chief Financial Officer

Concurred By:
Candace Cassel
Special Districts Manager

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RESOLUTION NO. 2014-99

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, AUTHORIZING THE SUBMITTAL OF AN APPLICATION TO THE CALIFORNIA DEPARTMENT OF WATER RESOURCES FOR THE 2014 WATER-ENERGY GRANT

WHEREAS, the 2014 Water-Energy Grant Program was approved on March 1, 2014, by the Governor of California by way of California State Senate Bill (SB) 103, Section 11 (2013-14 Reg. Sess.); and,

WHEREAS, the California Department of Water Resources has provided funds for the purpose of funding programs or projects that reduce greenhouse gas emission and also reduce water and energy use; and

WHEREAS, this grant is being managed as part of the Department of Water Resources (DWR) Integrated Regional Water Management (IRWM) Grant Program, which administers a variety of grant programs; and

WHEREAS, said procedures established by the DWR require the applicant's governing body designate an authorized representative to submit a proposal for the 2014 Water-Energy Grant and enter into an agreement with the State of California to receive the grant if award is made.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. That the City Council of the City of Moreno Valley is making an application to the California Department of Water Resources to obtain a 2014 Water-Energy Grant pursuant to Senate Bill No. 103 Section 11 (2013-2014 Regular Session); and,
2. That the City Council of the City of Moreno Valley acknowledges that if the project submitted is selected for award, the City will enter into an agreement to receive a grant for the Alessandro Boulevard Median Renovation project; and,
3. The City Council of the City of Moreno Valley acknowledges that the City Manager or their appointed designee is hereby authorized and directed to prepare the necessary data, conduct investigations, file such application and execute a grant agreement and any amendments thereto with the California Department of Water Resources.

1
Resolution No. 2014-99
Date Adopted: December 09, 2014

APPROVED AND ADOPTED this 9th day of December, 2014.

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

Resolution No. 2014-99²
Date Adopted: December 09, 2014

RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2014-99 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 9th day of December, 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

Resolution No. 2014-99³
Date Adopted: December 09, 2014

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GRANT AGREEMENT BETWEEN THE STATE OF CALIFORNIA (DEPARTMENT OF WATER RESOURCES) AND

<GRANTEE NAME>

<AGREEMENT NUMBER>

Water-Energy Grant Program
Funded by the Greenhouse Gas Reduction Fund
As Authorized in Section 2 of the Budget Act of 2013 (Senate Bill 103, Section 11)

THIS GRANT AGREEMENT is entered into by and between the Department of Water Resources of the State of California, herein referred to as the "State" or "DWR" and the <insert Grantee Name>, a <select appropriate descriptor and delete others – public agency, non-profit, joint powers authority etc.> in the State of California, duly organized, existing, and acting pursuant to the laws thereof, herein referred to as the "Grantee", which parties do hereby agree as follows:

1. PURPOSE. State shall provide funding from the Greenhouse Gas Reduction Fund (Health and Safety Code Section 39710 et seq.) to Grantee to assist in financing projects associated with Section 2 of the Budget Act of 2013 (Senate Bill 103, Section 11) hereinafter collectively referred to as the "Water-Energy Grant Program."
2. TERM OF GRANT AGREEMENT. The term of this Grant Agreement begins on the date this Grant Agreement is executed by State, and terminates on <Insert date based on schedule + time for approval of final report, etc. (3-6 months)>, or when all of the Parties' obligations under this Grant Agreement are fully satisfied, whichever occurs earlier. Execution date is the date the State signs this Grant Agreement indicated on page <number of the signature page>.
3. TOTAL PROJECT COST. The reasonable Total Cost of the Project(s) is estimated to be \$<insert Total Project Cost for all projects in the agreement>.
4. GRANT AMOUNT. The maximum amount payable by the State under this Agreement shall not exceed \$<INSERT AMOUNT>.
5. GRANTEE COST SHARE. Grantee agrees to fund the difference between the Total Project Cost, and the Grant Amount (amount specified in Paragraph 4). Cost Share will not be reviewed by the State for invoicing purposes; however, the Grantee is required to maintain all financial records associated with the project in accordance with Exhibit H (State Audit Document Requirements).
6. GRANTEE'S RESPONSIBILITY. Grantee and its representatives shall:
 - a) Faithfully and expeditiously perform or cause to be performed all project work as described in Exhibit A (Work Plan) and in accordance with Exhibit B (Budget) and Exhibit C (Schedule).
 - b) Accept and agree to comply with all terms, provisions, conditions, and written commitments of this Grant Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by Grantee in the application, documents, amendments, and communications filed in support of its request for Greenhouse Gas Reduction Fund financing.
 - c) Comply with all applicable California laws and regulations.
 - d) Implement the Project(s) in accordance with applicable provisions of the law.
 - e) Fulfill its obligations under the Grant Agreement, and be responsible for the performance of the project(s).
7. BASIC CONDITIONS. State shall have no obligation to disburse money for project(s) under this Grant Agreement until Grantee has satisfied the following conditions (if applicable):
 - a) Grantee demonstrate(s) the availability of sufficient funds to complete (each/the) project by submitting the most recent year-end financial statement.
 - b) <Instructions for PM – Only use this statement if the grantee submitted an AB1420 Compliance Table 2 with the application and the BMP implementation work is not part of the grant scope. > For urban water suppliers that submitted 1420 compliance Table 2, Grantee submits < PM pick whichever type of information was submitted per the commitment letter. Either: 1) the UWS progress toward the 2015 interim gallon per day per capita (GPDC) target. If not meeting the interim target also include a list of actions to meet the target and schedule for implementation of actions; or 2) list of tasks to implement

the BMPs listed in 1420 compliance Table 2 and corresponding schedule. Note: the information specified in item 1 or 2 in the preceding statement must be included in Exhibit J of the agreement.>

- c) For the term of this Grant Agreement, Grantee submits timely Progress Reports as specified by Paragraph 17, "Submission of Reports" and Appendix C, Schedule.
- d) Grantee submits deliverables as specified in Paragraph 17 of this Grant Agreement and in Exhibit A.
- e) Prior to the commencement of construction or implementation activities, Grantee shall submit the following to the State for each project:
 - 1) Final plans and specifications certified by a California Registered Professional (Civil Engineer or Geologist, as appropriate) for (each/the) approved project(s) as listed in Exhibit A of this Grant Agreement.
 - 2) Environmental Documentation:
 - i) Copies of all applicable final environmental permits,
 - ii) Documents that satisfy the CEQA process,
 - iii) State has completed its CEQA compliance review as a Responsible Agency, and
 - iv) Grantee receives written concurrence from the State of Lead Agency's CEQA document(s) and State notice of verification of environmental permit submittal.

State's concurrence of Lead Agency's CEQA documents is fully discretionary and shall constitute a condition precedent to any work (i.e., construction or implementation activities) for which it is required. Once CEQA documentation has been completed, State will consider the environmental documents and decide whether to continue to fund the project(s) or to require changes, alterations or other mitigation. Grantee must also demonstrate that it has complied with all applicable requirements of the National Environmental Policy Act by submitting copies of any environmental documents, including environmental impact statements, Finding of No Significant Impact, and mitigation monitoring programs as may be required prior to beginning construction/implementation.

- 3) A monitoring plan as required by Paragraph 19, "Project Monitoring Plan Requirements."

8. DISBURSEMENT OF FUNDS. State will disburse to Grantee the amount approved, subject to the availability of funds through normal State processes. Notwithstanding any other provision of this Grant Agreement, no disbursement shall be required at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations, or which may require any rebates to the federal government, or any loss of tax-free status on state bonds, pursuant to any federal statute or regulation. Any and all money disbursed to Grantee under this Grant Agreement and any and all interest earned by Grantee on such money shall be used solely to pay Eligible Project Costs, as defined in Paragraph 9.
9. ELIGIBLE PROJECT COST. Grantee shall apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law and Exhibit B. Eligible project costs include the reasonable costs of studies, engineering, design, land and easement acquisition, legal fees, preparation of environmental documentation, environmental mitigations, monitoring, and project construction/implementation. Reasonable administrative expenses may be included as Total Project Costs and will depend on the complexity of the project preparation, planning, coordination, construction, acquisitions, and implementation. Reimbursable administrative expenses are the necessary costs incidentally but directly related to the project(s) including the portion of overhead and administrative expenses that are directly related to the project(s) included in this Agreement in accordance with the standard accounting practices of the Grantee. Work performed on the project(s) after July 1, 2014 shall be eligible for reimbursement.

Costs that are not eligible for reimbursement include, but are not limited to the following items:

- a) Costs, other than those noted above.
- b) Operation and maintenance costs, including post construction performance and monitoring costs.
- c) Purchase of equipment not an integral part of a project.
- d) Establishing a reserve fund.
- e) Purchase of water supply.
- f) Monitoring and assessment costs for efforts required after project construction is complete.
- g) Replacement of existing funding sources for ongoing programs.

- h) Travel and per diem costs (per diem includes subsistence and other related costs).
 - i) Support of existing agency requirements and mandates (e.g., punitive regulatory agency requirement).
 - j) Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of a project, as set forth and detailed by engineering and feasibility studies.
 - k) Payment of principal or interest of existing indebtedness or any interest payments unless the debt is incurred after execution of this Grant Agreement, the State agrees in writing to the eligibility of the costs for reimbursement before the debt is incurred, and the purposes for which the debt is incurred are otherwise eligible costs. However, this shall be tracked as part of the Grantee cost share.
 - l) Overhead not directly related to project costs.
10. METHOD OF PAYMENT. Submit a copy of invoice for costs incurred and supporting documentation to the DWR Project Manager via Grant Review and Tracking Systems (GRanTS). Additionally, the original invoice form with signature and date (in ink) of Grantee's Project Representative, as indicated on page <number of the signature page> of this Agreement, must be sent to the DWR Project Manager for approval. Invoices submitted via GRanTS shall include the following information:
- a) Costs incurred for work performed in implementing the project(s) during the period identified in the particular invoice.
 - b) Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for the project(s) during the period identified in the particular invoice for the implementation of a project.
 - c) Invoices shall be submitted on forms provided by State and shall meet the following format requirements:
 - 1) Invoices must contain the date of the invoice, the time period covered by the invoice, and the total amount due.
 - 2) Invoices must be itemized based on resource categories (i.e., line items) specified in Exhibit B. The amount claimed for salaries/wages/consultant fees must include a calculation formula (i.e., hours or days worked times the hourly or daily rate = the total amount claimed).
 - 3) Sufficient supporting documentation (e.g. receipts, copies of checks, time sheets) as determined by the State must be provided for all costs included in the invoice. Cost Share shall be accounted for separately in the progress reports.
 - 4) Each invoice shall clearly delineate those costs claimed for reimbursement from the State's Grant Amount, as depicted in Paragraph 4.
 - 5) DWR Project Manager will notify Grantee, in a timely manner, when, upon review of an Invoice, the State determines that any portion or portions of the costs claimed are not eligible costs or are not supported by documentation or receipts acceptable to State. Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to State to cure such deficiency(ies). If Grantee fails to submit adequate documentation curing the deficiency(ies), State will adjust the pending invoice by the amount of ineligible or unapproved costs.
11. WITHHOLDING OF DISBURSEMENTS BY STATE. If State determines that a project is not being implemented in accordance with the provisions of this Grant Agreement, or that Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if Grantee does not remedy any such failure to State's satisfaction, State may withhold from Grantee all or any portion of the State funding and take any other action that it deems necessary to protect its interests. Where a portion of the State funding has been disbursed to the Grantee and State notifies Grantee of its decision not to release funds that have been withheld pursuant to Paragraph 12, the portion that has been disbursed shall thereafter be repaid immediately with interest at the California general obligation bond interest rate at the time the State notifies the Grantee, as directed by State. State may consider Grantee's refusal to repay the requested disbursed amount a contract breach subject to the default provisions in Paragraph 12, "Default Provisions." If State notifies Grantee of its decision to withhold the entire funding amount from Grantee pursuant to this paragraph, this Grant Agreement shall terminate upon receipt of such notice by Grantee and the State

shall no longer be required to provide funds under this Grant Agreement and the Grant Agreement shall no longer be binding on either party.

12. DEFAULT PROVISIONS. Grantee will be in default under this Grant Agreement if any of the following occur:

- a) Substantial breaches of this Grant Agreement, or any supplement or amendment to it, or any other agreement between Grantee and State evidencing or securing Grantee's obligations.
- b) Making any false warranty, representation, or statement with respect to this Grant Agreement or the application filed to obtain this Grant Agreement.
- c) Failure to operate or maintain project(s) in accordance with this Grant Agreement.
- d) Failure to make any remittance required by this Grant Agreement.
- e) Failure to comply with Labor Compliance Program requirements (Paragraph 16).
- f) Failure to submit timely progress reports.
- g) Failure to routinely invoice State.
- h) Failure to meet any of the requirements set forth in Paragraph 13, "Continuing Eligibility."

Should an event of default occur, State shall provide a notice of default to the Grantee and shall give Grantee at least ten (10) calendar days to cure the default from the date the notice is sent via first-class mail to the Grantee. If the Grantee fails to cure the default within the time prescribed by the State, State may do any of the following:

- i. Declare the funding be immediately repaid, with interest, which shall be equal to State of California general obligation bond interest rate in effect at the time of the default.
- ii. Terminate any obligation to make future payments to Grantee.
- iii. Terminate the Grant Agreement.
- iv. Take any other action that it deems necessary to protect its interests.

In the event State finds it necessary to enforce this provision of this Grant Agreement in the manner provided by law, Grantee agrees to pay all costs incurred by State including, but not limited to, reasonable attorneys' fees, legal expenses, and costs.

13. CONTINUING ELIGIBILITY. Grantee must meet the following ongoing requirement(s) to remain eligible to receive State funds:

- a) An urban water supplier that receives grant funds governed by this Grant Agreement shall maintain compliance with the Urban Water Management Planning Act (CWC§10610 et. seq.) and Sustainable Water Use and Demand Reduction, Part 2.55. of Division 6 (CWC§10608 et. seq.);
- b) An agricultural water supplier must maintain compliance with Sustainable Water Use and Demand Reduction, Part 2.55 of Division 6 of the (CWC§10608 et. seq.);
- c) Grantee's diverting surface water must maintain compliance with diversion reporting requirements as outlined in Part 5.1 of Division 2 of the CWC;
- d) Grantees that have been designated as monitoring entities under the California Statewide Groundwater Elevation Monitoring (CASGEM) Program must maintain reporting compliance, as required by CWC§10932 and the CASGEM Program.

14. PERMITS, LICENSES, APPROVALS, AND LEGAL OBLIGATIONS. Grantee shall be responsible for obtaining any and all permits, licenses, and approvals required for performing any work under this Grant Agreement, including those necessary to perform design, construction, or operation and maintenance of the Project(s). Grantee shall be responsible for observing and complying with any applicable federal, state, and local laws, rules or regulations affecting any such work, specifically those including, but not limited to, environmental, procurement, and safety laws, rules, regulations, and ordinances. Grantee shall provide copies of permits and approvals to State.

15. RELATIONSHIP OF PARTIES. Grantee is solely responsible for design, construction, and operation and maintenance of project(s) within the work plan. Review or approval of plans, specifications, bid documents, or other construction documents by State is solely for the purpose of proper administration of funds by State and shall not be deemed to relieve or restrict responsibilities of Grantee under this Grant Agreement.

16. LABOR COMPLIANCE. Grantee agrees to comply with all applicable California Labor Code requirements and Standard Condition D.28 in Exhibit D. Grantee must meet the requirements of Labor Code section 1771.5 by monitoring and enforcing prevailing wage requirements on public works projects that receive state funding and on other projects that are legally required to use the Department of Industrial Relations Compliance Monitoring Unit.

At the State's request, Grantee must promptly submit written evidence of Grantee's compliance with the LCP requirements.

17. SUBMISSION OF REPORTS. The submittal and approval of all reports is a requirement for the successful completion of this Grant Agreement. Reports shall meet generally accepted professional standards for technical reporting and shall be proofread for content, numerical accuracy, spelling, and grammar prior to submittal to State. All reports shall be submitted to the State's Project Manager, and shall be submitted via DWR's "Grant Review and Tracking System" (GRanTS). If requested, Grantee shall promptly provide any additional information deemed necessary by State for the approval of reports. Reports shall be presented in the formats described in the applicable portion of Exhibit F. The timely submittal of reports is a requirement for initial and continued disbursement of State funds. Submittal and subsequent approval by the State, of a Project Completion Report is a requirement for the release of any funds retained for such project(s).

- Progress Reports: Grantee shall submit progress reports on a regular and consistent basis to meet the State's requirement for disbursement of funds. The reporting period shall not exceed one quarter in length. The progress reports shall be sent via e-mail to the State's Project Manager and shall be uploaded into GRanTS at the frequency specified in Exhibit C, Project Schedule. The progress reports shall provide a brief description of the work performed during the reporting period including: Grantee's activities, milestones achieved, any accomplishments, and any problems encountered in the performance of the work under this Agreement.
- Water Management Status Report: < PM, use this if you have material in Exhibit J of the agreement otherwise delete. If using this text pick the option that corresponds to the type of material in Exhibit J.> Grantee shall submit a status report (s) on implementation depicted in Exhibit J. < for 1420 BMP...The status report shall be uploaded into GRanTS no later than April 30, 2016.> <for SB7x-7 gpcd Status reports shall be uploaded via GRanTS annually no later than June 30 of every year.> Failure to progress on implementation per Exhibit J may result in continuing grant eligibility actions under paragraph 13.
- Project Completion Report: Grantee shall prepare and submit to State a separate Project Completion Report for (each/the) project included in Exhibit A. Grantee shall submit a Project Completion Report within ninety (90) calendar days of project(s) completion. Project Completion Report(s) shall include, in part, a description of actual work done, any changes or amendments to (each/the) project, and a final schedule showing actual progress versus planned progress, copies of any final documents or reports generated or utilized during a project. The Project Completion Report shall also include, if applicable, certification of final project by a California Registered Professional (Civil Engineer or Geologist, as appropriate), consistent with Standard Condition D.19 in Exhibit D. A DWR "Certification of Project Completion" form will be provided by the State.
- Grant Completion Report: Upon completion of all projects included in Exhibit A, Grantee shall submit to State a Grant Completion Report. The Grant Completion Report shall be submitted within ninety (90) calendar days of submitting the Project Completion Report for the final project to be completed under the Grant Agreement. The Grant Completion Report shall include reimbursement status, a brief description of each project completed, and how those projects will reduce greenhouse gas emissions, water use and energy use as a result of project implementation. Retention for the last project to be completed as part of this Grant Agreement will not be disbursed until the Grant Completion Report is submitted to and approved by the State.
- Post-Performance Reports: <PM select basic option that fits your grant project specifics. Can modify either option to match your project benefits. Option 1 where water and energy savings are the same year to year, for example a pipe repair. Option 2 where water and energy savings may vary year to year.> <Option 1: Grantee shall submit a single Post-Performance Report to State within ninety (90)

calendar days after the first operational year of a project has elapsed.> <Option 2: Grantee shall submit Post-Performance Reports to State within ninety (90) calendar days after the first operational year of a project has elapsed. This record keeping and reporting process shall be repeated annually for a total of __years after the completed project(s) begins operation.>

18. OPERATION AND MAINTENANCE OF PROJECT. For the useful life of construction and implementation projects and in consideration of the funding made by State, Grantee agrees to ensure or cause to be performed the commencement and continued operation of (each/the) project, and shall ensure or cause (each/the) project to be operated in an efficient and economical manner; shall ensure all repairs, renewals, and replacements necessary to the efficient operation of the same are provided; and shall ensure or cause the same to be maintained in as good and efficient condition as upon its construction, ordinary and reasonable wear and depreciation excepted. The State shall not be liable for any cost of such maintenance, management, or operation. Grantee or their successors may, with the written approval of State, transfer this responsibility to use, manage, and maintain the property. For purposes of this Grant Agreement, "useful life" means period during which an asset, property, or activity is expected to be usable for the purpose it was acquired or implemented; "operation costs" include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses, and "maintenance costs" include ordinary repairs and replacements of a recurring nature necessary for capital assets and basic structures and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures. Refusal of Grantee to ensure operation and maintenance of the project(s) in accordance with this provision may, at the option of State, be considered a breach of this Grant Agreement and may be treated as default under Paragraph 12, "Default Provisions."

19. PROJECT MONITORING PLAN REQUIREMENTS. Exhibit A of this Grant Agreement shall contain activities to develop and submit to State a Project Monitoring Plan. Along with guidance provided in Exhibit I, "Project Monitoring Plan Components," the Project Monitoring Plan should also include:

- a) Baseline (pre-project) water use and energy use.
- b) Proposed savings
- c) Brief discussion of how water and energy savings will be monitored.
- d) Methodology of monitoring.
- e) Frequency of monitoring.
- f) Location of monitoring points.
- g) Performance targets

A Project Monitoring Plan shall be submitted to the State prior to disbursement of State funds for construction or monitoring activities. See Exhibit G, "Requirements for Statewide Monitoring and Data Submittal", for web links and information regarding other State monitoring and data reporting requirements.

20. STATEWIDE MONITORING REQUIREMENTS. Grantee shall ensure that all groundwater projects and projects that include groundwater monitoring requirements are consistent with the Groundwater Quality Monitoring Act of 2001 (Part 2.76 (commencing with Section 10780) of Division 6 of California Water Code) and, where applicable, that projects that affect water quality shall include a monitoring component that allows the integration of data into statewide monitoring efforts, including where applicable, the Surface Water Ambient Monitoring Program carried out by the State Water Resources Control Board.

21. NOTIFICATION OF STATE. Grantee shall promptly notify State, in writing, of the following items:

- a) Events or proposed changes that could affect the scope, budget, or work performed under this Grant Agreement. Grantee agrees that no substantial change in the scope of a project(s) will be undertaken until written notice of the proposed change has been provided to State and State has given written approval for such change. Substantial changes generally include changes to the work plan, schedule or term, and budget.
- b) Any public or media event publicizing the accomplishments and/or results of this Grant Agreement and provide the opportunity for attendance and participation by State's representatives. Grantee shall make such notification at least 14 calendar days prior to the event.

c) Final inspection of the completed work on a project by a California Registered Professional (Civil Engineer or Geologist, as appropriate), in accordance with Standard Condition D.19 in Exhibit D. Grantee shall notify the State's Project Manager of the inspection date at least 14 calendar days prior to the inspection in order to provide State the opportunity to participate in the inspection.

22. NOTICES. Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party under this Grant Agreement shall be in writing. Notices may be transmitted by any of the following means:

- a) By delivery in person.
- b) By certified U.S. mail, return receipt requested, postage prepaid.
- c) By "overnight" delivery service; provided that next-business-day delivery is requested by the sender.
- d) By electronic means.

Notices delivered in person will be deemed effective immediately on receipt (or refusal of delivery or receipt). Notices sent by certified mail will be deemed effective given ten (10) calendar days after the date deposited with the U. S. Postal Service. Notices sent by overnight delivery service will be deemed effective one business day after the date deposited with the delivery service. Notices sent electronically will be effective on the date of transmission, which is documented in writing. Notices shall be sent to the addresses set forth in Paragraph 24. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.

23. PERFORMANCE EVALUATION. Upon completion of this Grant Agreement, Grantee's performance will be evaluated by the State and a copy of the evaluation will be placed in the State file and a copy sent to the Grantee.

24. PROJECT REPRESENTATIVES. The Project Representatives during the term of this Grant Agreement are as follows:

Department of Water Resources
Paula J. Landis, P.E.
Chief, Division of IRWM
P.O. Box 942836
Sacramento CA 94236-0001
Phone: (916) 651-9220
e-mail: paula.landis@water.ca.gov

Grantee
Project Representative
Project Representative Title
Address
C/S/Z
Phone: (XXX) XXX-XXXX
e-mail:

Direct all inquiries to the Project Manager:

Department of Water Resources
DWR Project Manager
Division of Integrated Regional Water Management
Address
C/S/Z
Phone: (XXX) XXX-XXXX
e-mail:

Grantee
Project Manager
Project Manager Title
Address
C/S/Z
Phone: (XXX) XXX-XXXX
e-mail:

Either party may change its Project Representative or Project Manager upon written notice to the other party.

25. STANDARD PROVISIONS. The following Exhibits are attached and made a part of this Grant Agreement by this reference:

- Exhibit A – Work Plan
- Exhibit B – Budget
- Exhibit C – Schedule

- Exhibit D – Standard Conditions
- Exhibit E – Authorizing Resolution
- Exhibit F – Report Formats and Requirements
- Exhibit G – Requirements for Statewide Monitoring and Data Submittal
- Exhibit H – State Audit Document Requirements
- Exhibit I – Project Monitoring Plan Components
- Exhibit J – Best Management Practices Implementation Tasks and Schedules

IN WITNESS WHEREOF, the parties hereto have executed this Grant Agreement.

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES

<Insert Grantee name>

Paula J. Landis, P.E., Chief
Division of Integrated Regional Water Management

<Insert Grantee Authorized Representative
Name and title>

Date_____

Date_____

Approved as to Legal Form and Sufficiency

Spencer Kenner, Assistant Chief Counsel
Office of Chief Counsel

Date_____

EXHIBIT A
WORK PLAN

EXHIBIT B
BUDGET

EXHIBIT C
SCHEDULE

EXHIBIT D
STANDARD CONDITIONS

D.1) ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT:

- a) **Separate Accounting of Funding Disbursements and Interest Records:** Grantee shall account for the money disbursed pursuant to this Grant Agreement separately from all other Grantee funds. Grantee shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. Grantee shall keep complete and accurate records of all receipts, disbursements, and interest earned on expenditures of such funds. Grantee shall require its contractors or subcontractors to maintain books, records, and other documents pertinent to their work in accordance with generally accepted accounting principles and practices. Records are subject to inspection by State at any and all reasonable times.
- b) **Fiscal Management Systems and Accounting Standards:** The Grantee agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit tracing of grant funds to a level of expenditure adequate to establish that such funds have not been used in violation of state law or this Grant Agreement.
- c) **Disposition of Money Disbursed:** All money disbursed pursuant to this Grant Agreement shall be deposited, administered, and accounted for pursuant to the provisions of applicable law.
- d) **Remittance of Unexpended Funds:** Grantee shall remit to State any unexpended funds that were disbursed to Grantee under this Grant Agreement and were not used to pay Eligible Project Costs within a period of sixty (60) calendar days from the final disbursement from State to Grantee of funds or, within thirty (30) calendar days of the expiration of the Grant Agreement, whichever comes first.

D.2) ACKNOWLEDGEMENT OF CREDIT: Grantee shall include appropriate acknowledgement of credit to the State and to all cost-sharing partners for their support when promoting the Project(s) or using any data and/or information developed under this Grant Agreement.

D.3) AIR OR WATER POLLUTION VIOLATION: Under State laws, the Grantee shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

D.4) AMENDMENT: This Grant Agreement may be amended at any time by mutual agreement of the Parties, except insofar as any proposed amendments are in any way contrary to applicable law. Requests by the Grantee for amendments must be in writing stating the amendment request and the reason for the request. State shall have no obligation to agree to an amendment.

D.5) AMERICANS WITH DISABILITIES ACT: By signing this Grant Agreement, Grantee assures State that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C., 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.

D.6) APPROVAL: This Agreement is of no force or effect until signed by all parties to the agreement. Grantee may not submit invoices or receive payment until all required signatures have been obtained.

D.7) AUDITS: State reserves the right to conduct an audit at any time between the execution of this Grant Agreement and the completion of Project(s), with the costs of such audit borne by State. After completion of the Project(s), State may require Grantee to conduct a final audit to State's specifications, at Grantee's expense, such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant Agreement, and State may elect to pursue any remedies provided in Paragraph 12 or take any other action it deems necessary to protect its interests.

Pursuant to Government Code Section 8546.7, the Grantee shall be subject to the examination and audit by the State for a period of three years after final payment under this Grant Agreement with respect to all matters connected with this Grant Agreement, including but not limited to, the cost of administering this Grant Agreement. All records of Grantee or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after project completion or final billing, whichever comes later.

- D.8) **BUDGET CONTINGENCY:** If the Budget Act of the current year covered under this Grant Agreement does not appropriate sufficient funds for this Grant Program, this Grant Agreement shall be of no force and effect. This provision shall be construed as a condition precedent to the obligation of State to make any payments under this Grant Agreement. In this event, State shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this Grant Agreement and Grantee shall not be obligated to perform any provisions of this Grant Agreement. Nothing in this Grant Agreement shall be construed to provide Grantee with a right of priority for payment over any other Grantee. If funding for any fiscal year after the current year covered by this Grant Agreement is reduced or deleted by the Budget Act for purposes of this program, State shall have the option to either cancel this Grant Agreement with no liability occurring to State, or offer a Grant Agreement amendment to Grantee to reflect the reduced amount.
- D.9) **CALIFORNIA CONSERVATION CORPS:** As required in Water Code section 79038(b), Grantee shall examine the feasibility of using the California Conservation Corps or community conservation corps to accomplish the habitat restoration, enhancement and protection activities listed in the Exhibit A, Work Plan, and shall use the services of one of these organizations whenever feasible.
- D.10) **CEQA:** Activities funded under this Grant Agreement, regardless of funding source, must be in compliance with the California Environmental Quality Act (CEQA) (Public Resources Code §21000 et seq.). Information on CEQA may be found at the following links:
Environmental Information: <http://ceres.ca.gov/ceqa/>
California State Clearinghouse Handbook: <http://ceres.ca.gov/planning/sch/>
- D.11) **CHILD SUPPORT COMPLIANCE ACT:** For any Grant Agreement in excess of \$100,000, the Grantee acknowledges in accordance with Public Contract Code 7110, that:
- a) The Grantee recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
 - b) The Grantee, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.
- D.12) **CLAIMS DISPUTE:** Any claim that the Grantee may have regarding performance of this agreement including, but not limited to, claims for additional compensation or extension of time, shall be submitted to the State's Project Manager, within thirty (30) days of the Grantee's knowledge of the claim. State and Grantee shall then attempt to negotiate a resolution of such claim and process an amendment to this Agreement to implement the terms of any such resolution.
- D.13) **COMPETITIVE BIDDING AND PROCUREMENTS:** Grantee shall comply with all applicable laws and regulations regarding securing competitive bids and undertaking competitive negotiations in Grantee's contracts with other entities for acquisition of goods and services and construction of public works with funds provided by State under this Grant Agreement.
- D.14) **COMPUTER SOFTWARE:** Grantee certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Grant Agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.

- D.15) CONFLICT OF INTEREST:** All participants are subject to State and Federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent contract being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code, Section 1090 and Public Contract Code, Sections 10410 and 10411, for State conflict of interest requirements.
- a) Current State Employees: No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.
 - b) Former State Employees: For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.
 - c) Employees of the Grantee: Employees of the Grantee shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act, Cal. Gov't Code § 87100 et seq.
 - d) Employees and Consultants to the Grantee: Individuals working on behalf of a Grantee may be required by the Department to file a Statement of Economic Interests (Fair Political Practices Commission Form 700) if it is determined that an individual is a consultant for Political Reform Act purposes.
- D.16) DELIVERY OF INFORMATION, REPORTS, AND DATA:** Grantee agrees to expeditiously provide throughout the term of this Grant Agreement, such reports, data, information, and certifications as may be reasonably required by State.
- D.17) DISPOSITION OF EQUIPMENT:** Grantee shall provide to State, not less than 30 calendar days prior to submission of the final invoice, an itemized inventory of equipment purchased with funds provided by State. The inventory shall include all items with a current estimated fair market value of more than \$5,000.00 per item. Within 60 calendar days of receipt of such inventory State shall provide Grantee with a list of the items on the inventory that State will take title to. All other items shall become the property of Grantee. State shall arrange for delivery from Grantee of items that it takes title to. Cost of transportation, if any, shall be borne by State.
- D.18) DRUG-FREE WORKPLACE CERTIFICATION:** Certification of Compliance: By signing this Grant Agreement, Grantee, its contractors or subcontractors hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Government Code 8350 *et seq.*) and have or will provide a drug-free workplace by taking the following actions:
- a) Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code Section 8355(a)(1).
 - b) Establish a Drug-Free Awareness Program, as required by Government Code Section 8355(a)(2) to inform employees, contractors, or subcontractors about all of the following:
 - i) The dangers of drug abuse in the workplace,
 - ii) Grantee's policy of maintaining a drug-free workplace,
 - iii) Any available counseling, rehabilitation, and employee assistance programs, and

- iv) Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
 - c) Provide, as required by Government Code Sections 8355(a)(3), that every employee, contractor, and/or subcontractor who works under this Grant Agreement:
 - i) Will receive a copy of Grantee's drug-free policy statement, and
 - ii) Will agree to abide by terms of Grantee's condition of employment, contract or subcontract.
- D.19) **FINAL INSPECTION AND CERTIFICATION BY REGISTERED PROFESSIONAL:** Upon completion of the Project, Grantee shall provide for a final inspection and certification by the appropriate registered professional (California Registered Civil Engineer or Geologist) that the Project has been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this Grant Agreement. Grantee shall notify the State's Project Manager of the inspection date at least 14 calendar days prior to the inspection in order to provide State the opportunity to participate in the inspection.
- D.20) **GRANTEE COMMITMENTS:** Grantee accepts and agrees to comply with all terms, provisions, conditions and commitments of this Grant Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by the Grantee in the application, documents, amendments, and communications filed in support of its request for funding.
- D.21) **GRANTEE NAME CHANGE:** Approval of the State's Program Manager is required to change the Grantee's name as listed on this Grant Agreement. Upon receipt of legal documentation of the name change the State will process an amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.
- D.22) **GOVERNING LAW:** This Grant Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.
- D.23) **INDEMNIFICATION:** Grantee shall indemnify and hold and save the State, its officers, agents, and employees, free and harmless from any and all liabilities for any claims and damages (including inverse condemnation) that may arise out of the Project(s) and this Agreement, including, but not limited to any claims or damages arising from planning, design, construction, maintenance and/or operation of levee rehabilitation measures for this Project and any breach of this Agreement. Grantee shall require its contractors or subcontractors to name the State, its officers, agents and employees as additional insured on their liability insurance for activities undertaken pursuant to this Agreement.
- D.24) **INDEPENDENT CAPACITY:** Grantee, and the agents and employees of Grantees, in the performance of the Grant Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State.
- D.25) **INSPECTION OF BOOKS, RECORDS, AND REPORTS:** During regular office hours, each of the parties hereto and their duly authorized representatives shall have the right to inspect and to make copies of any books, records, or reports of either party pertaining to this Grant Agreement or matters related hereto. Each of the parties hereto shall maintain and shall make available at all times for such inspection accurate records of all its costs, disbursements, and receipts with respect to its activities under this Grant Agreement. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant Agreement, and State may withhold disbursements to Grantee or take any other action it deems necessary to protect its interests.
- D.26) **INSPECTIONS OF PROJECT BY STATE:** State shall have the right to inspect the work being performed at any and all reasonable times during the term of the Grant Agreement. This right shall extend to any subcontracts, and Grantee shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Grant Agreement with State.
- D.27) **INVOICE DISPUTES:** In the event of an invoice dispute, payment will not be made until the dispute is resolved and a corrected invoice submitted. Failure to use the address exactly as provided may result in return of the invoice to the Grantee. Payment shall be deemed complete upon deposit of the payment, properly addressed, postage prepaid, in the United States mail. Any claim that Grantee may

have regarding the performance of this Grant Agreement including, but not limited to claims for additional compensation or extension of time, shall be submitted to the DWR Project Manager within thirty (30) calendar days of Grantee's knowledge of the claim. State and Grantee shall then attempt to negotiate a resolution of such claim and process an amendment to the Grant Agreement to implement the terms of any such resolution.

- D.28) **LABOR CODE COMPLIANCE:** The Grantee will be required to keep informed of and take all measures necessary to ensure compliance with applicable California Labor Code requirements, including, but not limited to, Section 1720 *et seq.* of the California Labor Code regarding public works, limitations on use of volunteer labor (California Labor Code Section 1720.4), labor compliance programs (California Labor Code Section 1771.5) and payment of prevailing wages for work done and funded pursuant to these Guidelines, including any payments to the Department of Industrial Relations under Labor Code Section 1771.3.
- D.29) **MODIFICATION OF OVERALL WORK PLAN:** At the request of the Grantee, the State may at its sole discretion approve non-material changes to the portions of Exhibits B and C which concern the budget and schedule without formally amending this Grant Agreement. Non-material changes with respect to (each/the) Project budget are changes that only result in reallocation of the budget and will not result in an increase in the amount of the State Grant Agreement. Non-material changes with respect to (each/the) Project schedule are changes that will not extend the term of this Grant Agreement. Requests for non-material changes to the budget and schedule must be submitted by the Grantee to the State in writing and are not effective unless and until specifically approved by the State's Project Manager in writing.
- D.30) **NONDISCRIMINATION:** During the performance of this Grant Agreement, Grantee and its contractors or subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), marital status, and denial of medial and family care leave or pregnancy disability leave. Grantee and its contractors or subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and its contractors or subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) *et seq.*) and the applicable regulations promulgated there under (California Code of Regulations, Title 2, Section 7285 *et seq.*). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Grantee and its contractors or subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
- Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Grant Agreement.
- D.31) **NO DISCRIMINATION AGAINST DOMESTIC PARTNERS:** For contracts over \$100,000 executed or amended after January 1, 2007, the Grantee certifies by signing this Grant Agreement, under penalty of perjury under the laws of State of California that Grantee is in compliance with Public Contract Code section 10295.3.
- D.32) **OPINIONS AND DETERMINATIONS:** Where the terms of this Grant Agreement provide for action to be based upon, judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.
- D.33) **PERFORMANCE AND ASSURANCES:** Grantee agrees to faithfully and expeditiously perform or cause to be performed all Project work as described in Exhibit A, "Work Plan" and to apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law.

- D.34) **PRIORITY HIRING CONSIDERATIONS:** If this Grant Agreement includes services in excess of \$200,000, the Grantee shall give priority consideration in filling vacancies in positions funded by the Grant Agreement to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.
- D.35) **PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION:** The Grantee shall not sell, abandon, lease, transfer, exchange, mortgage, hypothecate, or encumber in any manner whatsoever all or any portion of any real or other property necessarily connected or used in conjunction with the Project(s), or with Grantee's service of water, without prior permission of State. Grantee shall not take any action, including but not limited to actions relating to user fees, charges, and assessments that could adversely affect the ability of Grantee to meet its obligations under this Grant Agreement, without prior written permission of State. State may require that the proceeds from the disposition of any real or personal property be remitted to State.
- D.36) **REMEDIES NOT EXCLUSIVE:** The use by either party of any remedy specified herein for the enforcement of this Grant Agreement is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.
- D.37) **RETENTION:** Notwithstanding any other provision of this Grant Agreement, State shall, for each project, withhold five percent (5.0%) until January 1, 2016 and ten percent (10.0%), thereafter, of the funds requested by Grantee for reimbursement of Eligible Costs. Each project in this Grant Agreement will be eligible to release its respective retention when that project is completed and Grantee has met requirements of Paragraph 17, "Submissions of Reports" as follows: At such time as the "Project Completion Report" required under Paragraph 17 is submitted to and approved by State, State shall disburse the retained funds as to that project to Grantee, except in the case of the last project to be completed under this Grant Agreement, in which case retention for such project will not be disbursed until the "Grant Completion Report" is submitted to and approved by State.
- D.38) **RIGHTS IN DATA:** Grantee agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes and other written or graphic work produced in the performance of this Grant Agreement shall be made available to the State and shall be in the public domain to the extent to which release of such materials is required under the California Public Records Act., Cal. Gov't Code §6250 *et seq.* Grantee may disclose, disseminate and use in whole or in part, any final form data and information received, collected and developed under this Grant Agreement, subject to appropriate acknowledgement of credit to State for financial support. Grantee shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so. The State shall have the right to use any data described in this paragraph for any public purpose.
- D.39) **SEVERABILITY:** Should any portion of this Grant Agreement be determined to be void or unenforceable, such shall be severed from the whole and the Grant Agreement shall continue as modified.
- D.40) **STATE REVIEWS:** The parties agree that review or approval of project(s) applications, documents, permits, plans, and specifications or other project information by the State is for administrative purposes only and does not relieve the Grantee of their responsibility to properly plan, design, construct, operate, maintain, implement, or otherwise carry out the project(s).
- D.41) **SUSPENSION OF PAYMENTS:** This Grant Agreement may be subject to suspension of payments or termination, or both, and Grantee may be subject to debarment if the State determines that:
a) Grantee, its contractors, or subcontractors have made a false certification, or
b) Grantee, its contractors, or subcontractors violates the certification by failing to carry out the requirements noted in this Grant Agreement.
- D.42) **SUCCESSORS AND ASSIGNS:** This Grant Agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. No assignment or transfer of this Grant Agreement or any part thereof, rights hereunder, or interest herein by the Grantee shall be valid unless and until it is approved by State and made subject to such reasonable terms and conditions as State may impose.
- D.43) **TERMINATION BY GRANTEE:** Subject to State approval which may be reasonably withheld, Grantee may terminate this Agreement and be relieved of contractual obligations. In doing so, Grantee must provide

a reason(s) for termination. Grantee must submit all progress reports summarizing accomplishments up until termination date.

- D.44) **TERMINATION FOR CAUSE:** Subject to the right to cure under Paragraph 12, the State may terminate this Grant Agreement and be relieved of any payments should Grantee fail to perform the requirements of this Grant Agreement at the time and in the manner herein, provided including but not limited to reasons of default under Paragraph 12.
- D.45) **TERMINATION WITHOUT CAUSE:** The State may terminate this Agreement without cause on 30 days advance written notice. The Grantee shall be reimbursed for all reasonable expenses incurred up to the date of termination.
- D.46) **THIRD PARTY BENEFICIARIES:** The parties to this Agreement do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or any duty, covenant, obligation or understanding established herein.
- D.47) **TIMELINESS:** Time is of the essence in this Grant Agreement.
- D.48) **TRAVEL:** Grantee agrees that travel and per diem costs shall NOT be eligible for reimbursement with State funds. Travel includes the costs of transportation, subsistence, and other associated costs incurred by personnel during the term of this Grant Agreement.
- D.49) **WAIVER OF RIGHTS:** None of the provisions of this Grant Agreement shall be deemed waived unless expressly waived in writing. It is the intention of the parties here to that from time to time either party may waive any of its rights under this Grant Agreement unless contrary to law. Any waiver by either party of rights arising in connection with the Grant Agreement shall not be deemed to be a waiver with respect to any other rights or matters, and such provisions shall continue in full force and effect.
- D.50) **WORKERS' COMPENSATION:** Grantee affirms that it is aware of the provisions of Section 3700 of the California Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and Grantee affirms that it will comply with such provisions before commencing the performance of the work under this Grant Agreement and will make its contractors and subcontractors aware of this provision.

EXHIBIT E
AUTHORIZING RESOLUTION

EXHIBIT F
REPORT FORMATS AND REQUIREMENTS

The following reporting formats should be utilized. Please obtain State approval prior to submitting a report in an alternative format.

PROGRESS REPORTS

Progress reports shall generally use the following format. This format may be modified as necessary to effectively communicate information. For each project, describe the work performed including:

Project Status

Describe the work performed during the time period covered by the report, organized by Exhibit A, "Work Plan" tasks/subtasks/categories, including but not limited to:

- Updates on all ongoing tasks.
- Estimates of the percent (%) complete.
- Discussion of any project related work completed this reporting period.
- Milestones or deliverables completed/submitted.
- Impediments to completion of any task.
- Photos documenting progress.

Cost Information

For each project provide the following:

- A comparison of project task(s) percent complete with percent invoiced.
- A list of any changes approved to the budget in accordance with Grant Agreement and a revised budget, by task, if changed from latest budget in the Overall Work Plan.

Schedule Information

A list of any changes approved to the Schedule in accordance with Grant Agreement and a revised schedule, by task, *if* changed from latest reported schedule.

Anticipated Activities Next Quarter

Provide a description of anticipated activities for the next quarterly reporting period.

PROJECT COMPLETION REPORT

Project Completion Reports shall generally use the following format.

Executive Summary

Provide a brief summary of project information and include the following items:

- Brief description of work proposed to be done in the original Grant application.
- Description of actual work completed and any deviations from Exhibit A. List any official amendments to this Grant Agreement, with a short description of the amendment.

Reports and/or Products

The following items should be provided:

- Final Evaluation report
- Electronic copies of any data collected, not previously submitted
- As-built drawings
- Final geodetic survey information
- Self-Certification that the Project meets the stated goal of the Grant Agreement (e.g. 100-year level of flood protection, HMP standard, PI-84-99, etc.)
- Project photos
- Discussion of problems that occurred during the work and how those problems were resolved
- A final project schedule showing actual progress versus planned progress

Costs and Dispositions of Funds

Provide a list of:

- The date each invoice was submitted to State
- The amount of each invoice
- The date(s) the check(s) was/were received
- The amount of the check (If a check has not been received for the final invoice, then state this in this section.)
- A summary of the payments made by the Grantee for meeting its cost sharing obligations under this Grant Agreement.
- A summary of final funds disbursement including:
 - Labor cost of personnel of agency/ major consultant /sub-consultants. Indicate personnel, hours, rates, type of profession and reason for consultant, i.e., design, CEQA work, etc.
 - Project cost information, shown by material, equipment, labor costs, and any change orders
 - Any other incurred cost detail
 - A statement verifying separate accounting of funding disbursements
- Summary of project cost including the following items:
 - Accounting of the cost of project expenditure;
 - Include all internal and external costs not previously disclosed; and
 - A discussion of factors that positively or negatively affected the project cost and any deviation from the original project cost estimate.

Additional Information

- Benefits derived from the project, with quantification of such benefits provided, if applicable.
- A final project schedule showing actual progress verse planned progress as shown in Exhibit B.
- Certification by a California Registered Professional (Civil Engineer or Geologist, as appropriate) that the project was conducted in accordance with the approved work plan and any approved modifications thereto.
- Submittal schedule for the Post Performance Report and an outline of the proposed reporting format.

GRANT COMPLETION REPORT

The Grant Completion Report shall generally use the following format. This format may be modified as necessary to effectively communicate information on the various projects funded by this Grant Agreement, and includes the following:

Executive Summary

Reports and/or products

- Brief comparison of work proposed in the original grant application and actual work done.
- Brief description of the projects completed and how they will reduce greenhouse gas emission and reduce water and energy use.
- If applicable, a short discussion on how the IRWM Plan will assist in reducing dependence on Delta water supplies.
- If applicable, a discussion of the water supply or water quality benefits to Disadvantaged Community(ies) as part of this Grant Agreement

Cost & Disposition of Funds Information

- A summary of final funds disbursement for each project.

Additional Information

- A final schedule showing individual project's actual progress duration verse planned progress.
- Certification from a California Registered Professional (Civil Engineer or Geologist, as appropriate) that the Program was conducted in accordance with the approved work plan and any approved modifications thereto. Discussion of the synergies of the completed projects, including the integration of project benefits and a comparison of actual benefits versus those discussed in the original proposal.

- Submittal schedule for the Post Performance Reports for each of the projects in this Grant Agreement.

POST-PERFORMANCE REPORT

Report should be concise and focus on how (each/the) project is actually performing compared to its expected performance; whether the project is being operated and maintained, and providing intended benefits as proposed.

Reports and/or products

- Time period of the annual report (i.e., Oct 2016 through September 2017)
- Short project description
- Discussion of the project savings compared to baseline water and energy usage.
- An assessment of any explanations for any differences between the expected versus actual project benefits in meeting IRWM priorities as stated in the original Water-Energy Grant application. Where applicable, the reporting should include quantitative metrics, i.e., new acre-feet of water conserved that year, acres of wildlife habitat added, etc.
- Summary of any additional costs and/or benefits deriving from the project since its completion, if applicable
- Continued reporting on meeting the Output Indicators and Targets discussed in the Project Monitoring Plan discussed in Paragraph 19 of this Grant Agreement
- Any additional information relevant to or generated by the continued operation of the project

EXHIBIT G
REQUIREMENTS FOR STATEWIDE MONITORING AND DATA SUBMITTAL

Surface and Groundwater Quality Data

Groundwater quality and ambient surface water quality monitoring data that include chemical, physical, or biological data shall be submitted to the State as described below, with a narrative description of data submittal activities included in project reports, as described in Exhibit F.

Surface water quality monitoring data shall be prepared for submission to the California Environmental Data Exchange Network (CEDEN). The CEDEN data templates are available on the CEDEN website. Inclusion of additional data elements described on the data templates is desirable. Data ready for submission should be uploaded to your CEDEN Regional Data Center via the CEDEN website. CEDEN website:

<http://www.ceden.org>.

If a project's Work Plan contains a groundwater ambient monitoring element, groundwater quality monitoring data shall be submitted to the State for inclusion in the State Water Resources Control Board's Groundwater Ambient Monitoring and Assessment (GAMA) Program Information on the GAMA Program can be obtained at: http://www.waterboards.ca.gov/water_issues/programs/gama/. If further information is required, the Grantee can contact the State Water Resources Control Board (SWRCB) GAMA Program. A listing of SWRCB staff involved in the GAMA program can be found at:

http://www.swrcb.ca.gov/water_issues/programs/gama/contact.shtml

Groundwater Level Data

Grantee shall submit to DWR groundwater level data collected as part of this grant. Water level data must be submitted using the California Statewide Groundwater Elevation Monitoring (CASGEM) online data submission system. Grantee should use their official CASGEM Monitoring Entity or Cooperating Agency status to gain access to the online submittal tool and submit data. If the data is from wells that are not part of the monitoring network, the water level measurements should be classified as voluntary measurements in the CASGEM system. If the grantee is not a Monitoring Entity or Cooperating Agency, please contact your DWR grant project manager for further assistance with data submittal. The activity of data submittal should be documented in appropriate progress or final project reports, as described in Exhibit F. Information regarding the CASGEM program can be found at <http://www.water.ca.gov/groundwater/casgem/>.

EXHIBIT H
STATE AUDIT DOCUMENT REQUIREMENTS AND FUNDING MATCH GUIDELINES
FOR GRANTEES

State Audit Document Requirements

The list below details the documents/records that State Auditors typically reviews in the event of a Grant Agreement being audited. Grantees should ensure that such records are maintained for each State funded Program/Project. Where applicable, this list of documents also includes documents relating to the Grantee's funding match which will be required for audit purposes.

Internal Controls:

1. Organization chart (e.g., Agency's overall organization chart and organization chart for this Grant Agreement's funded project).
2. Written internal procedures and flowcharts for the following:
 - a) Receipts and deposits
 - b) Disbursements
 - c) State reimbursement requests
 - d) State funding expenditure tracking
 - e) Guidelines, policy(ies), and procedures on State funded Program/Project
3. Audit reports of the Grantee's internal control structure and/or financial statements within last two years.
4. Prior audit reports on State funded Program/Project.

State Funding:

1. Original Grant Agreement, any amendment(s) and budget modification documents.
2. A list of all bond-funded grants, loans or subventions received from the State.
3. A list of all other funding sources for each Program/Project.

Contracts:

1. All subcontractor and consultant contracts and related, if applicable.
2. Contracts between the Grantee, member agencies, and project partners as related to the State funded Program/Project.

Invoices:

1. Invoices from vendors and subcontractors for expenditures submitted to the State for payments under the Grant Agreement.
2. Documentation linking subcontractor invoices to State reimbursement requests and related Grant Agreement budget line items.
3. Reimbursement requests submitted to the State for the Grant Agreement.

Cash Documents:

1. Receipts (copies of warrants) showing payments received from the State.
2. Deposit slips or bank statements showing deposit of the payments received from the State.
3. Cancelled checks or disbursement documents showing payments made to vendors, subcontractors, consultants, and/or agents under the Grant Agreement.

Accounting Records:

1. Ledgers showing receipts and cash disbursement entries for State funding.
2. Ledgers showing receipts and cash disbursement entries of other funding sources.
3. Bridging documents that tie the general ledger to reimbursement requests submitted to the State for the Grant Agreement

Administration Costs:

1. Supporting documents showing the calculation of administration costs.

Personnel:

1. List of all contractors and Grantee staff that worked on the State funded Program/Project.
2. Payroll records including timesheets for contractor staff and the Grantee's

Project Files:

1. All supporting documentation maintained in the Program/Project files.
2. All Grant Agreement related correspondence.

EXHIBIT I
PROJECT MONITORING PLAN COMPONENTS

Introduction

- Goals and objectives of project(s)
- Site location and history
- Improvements implemented

Project Monitoring Plan

- Proposed water and energy savings
- Monitoring Metrics (ex: Kg CO₂e greenhouse gas, acre-feet/MG of water, or KWh energy)
- Special Environmental Considerations (e.g., resource agency requirements, permit requirements, CEQA/NEPA mitigation measures)
- Performance Targets, (water use reduction, energy use reduction, and greenhouse gas emission reduction)
- Method of Reporting (ex: paper reports, online databases, public meetings)
- Frequency of Duration Monitoring and Reporting (daily, weekly, monthly, yearly)
- Frequency and Duration of Maintenance Activities
- Responsible Party (who is conducting monitoring and/or maintenance) Implementing responsibility (i.e., who is responsible for monitoring and maintenance)
- Adaptive Management Strategies (i.e., what happens when routine monitoring or maintenance encounters a problem)

EXHIBIT J

<BEST MANAGEMENT PRACTICE OR GPCD REDUCTION TARGET> IMPLEMENTATION TASKS AND SCHEDULES

<IF NONE, DELETE EXHIBIT>



APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>R</i>
CITY MANAGER	<i>D</i>

Report to City Council

TO: Mayor and City Council

FROM: Richard Teichert, Chief Financial Officer

AGENDA DATE: December 9, 2014

TITLE: RECEIVE THE ANNUAL REPORT ON DEVELOPMENT IMPACT FEES FOR FISCAL YEAR 2013-14

RECOMMENDED ACTION

Recommendations:

1. Approve and accept the Annual Report on Development Impact Fees in compliance with California Government Code Section 66006.
2. Approve the finding that staff has demonstrated a continuing need to hold unexpended Development Impact Fees.

SUMMARY

Government Code Section 66006 requires municipalities that impose impact fees to render an annual accounting of such fees and to provide findings that support the retention of any fees that have been held in excess of five years and remain unexpended or have not been committed to projects. The City has no Development Impact Fees that are unexpended or uncommitted for a period of five years or more. The information included in this staff report is provided to comply with State law.

DISCUSSION

Government Code Section 66006 requires municipalities imposing impact fees to undertake an annual accounting of such fees within 180 days of the fiscal year end. The Code also requires that the accounting be made available for public review. The accounting must provide the beginning and ending balances for the fiscal year; receipts; disbursements; interest earned and any other income; a description of how the fees were expended during the past year; and any refunds or allocations pursuant to

Government Code Section 66001(f). If fees are unexpended, whether committed or uncommitted for a period of five or more years, the report must include a finding regarding the continuing need for the fees. If a continuing need cannot be shown, State law requires that the City refund the unused, uncommitted fees. The City's report contains no such instances of unexpended and uncommitted Development Impact Fees.

The attached Annual Report on Development Impact Fees is for the fiscal year ended June 30, 2014. This report is prepared in compliance with the California Government Code Section 66006 regarding the annual accounting of impact fees. The accounting was complete and the required information was available to the public within the required time frame, 180 days subsequent to fiscal year end and has been available for public review more than 15 days prior to being considered by the City Council.

On June 10, 2014 the City Council approved Resolution 2014-45 which amended short-term loans from the General Fund to address negative cash balances in the Arterial Streets (\$360,000), Police (\$3,500,000), Recreation Center (\$115,000) and Animal Shelter (\$162,000) DIF funds. The loan agreement calls for repayment by June 30, 2015 or if the funds are not repaid the issue is to be reconsidered by the City Council.

This report does not include any findings for unexpended, uncommitted fees. All funds collected and held by the City as of June 30, 2014 within each of the 15 respective Development Impact Fee funds are designated for specific capital projects, consistent with the Development Impact Fee Study Final Report approved by the City Council on December 11, 2012, and the Capital Improvement Plan approved by the City Council on May 27, 2014.

This report, however, does make a finding for continuing to hold previously collected development impact fees. This finding is supported by fact that all fees collected and held by the City as of June 30, 2014 are designated for specific capital projects, consistent with the Development Impact Fee Study Final Report approved by the City Council on December 11, 2012, and the Capital Improvement Plan approved by the City Council on June 11, 2013.

Interest earnings attributable to the DIF funds totaled \$242,954 for the year.

ALTERNATIVES

The following alternatives are available to the City Council:

1. Approve and accept the Annual Report on Development Impact Fees in compliance with California Government Code Section 66006 and approve the finding that staff has demonstrated a continuing need to hold unexpended Development Impact Fees. Staff recommends this alternative.
2. Approve and accept the Annual Report on Development Impact Fees in compliance with California Government Code Section 66006 but reject the

finding that staff has demonstrated a continuing need to hold unexpended Development Impact Fees. Staff does not recommend this alternative in that this action could result in the need to refund unexpended fees such that projects and debt service intended to be funded through these fees would be left without a funding source.

FISCAL IMPACT

There is no fiscal impact resulting from the recommended action; the information included in the staff report is provided to comply with State law.

CITY COUNCIL GOALS

Revenue Diversification and Preservation. Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

Public Facilities and Capital Projects. Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

NOTIFICATION

Publication of the agenda and the report was made available for public review on November 13, 2014.

ATTACHMENTS

Attachment 1: Annual Report on Development Impact Fees for the Fiscal Year Ended June 30, 2014

Attachment 2: Fee Schedule – Development Impact Fees FY 2013-14

Prepared By:
Brooke McKinney
Treasury Operations Division Manager

Department Head Approval:
Richard Teichert
Chief Financial Officer

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City of Moreno Valley
Annual Report on Development Impact Fees
For the Fiscal Year Ended June 30, 2014

Pursuant to Government Code Section 66006, the following report on the receipt, use and retention of development impact fees for fiscal year ended June 30, 2014 is hereby presented to the City Council for review and approval.

Fund Number (Old Fund Number) Fund Name	Beginning Fund Balance July 1, 2013	Receipts	Disbursements	Transfers In	Interest Earnings	Ending Fund Balance June 30, 2014
2901 (00201) Arterial Streets Development Impact Fee	\$ 385,006	\$ 194,672	\$ (1,118,200)	\$ 220,000	\$ 252	\$ (318,271)
2902 (00202) Traffic Signal Development Impact Fee	\$ 300,697	\$ 132,257	\$ (357,000)	\$ -	\$ 5,190	\$ 81,143
2903 (00203) Fire Facility Development Impact Fee	\$ 525,767	\$ 580,618	\$ (1,056,400)	\$ 383,000	\$ 7,543	\$ 440,527
2904 (00204) Police Facility Development Impact Fee	\$ (2,900,919)	\$ 280,671	\$ (678,600)	\$ -	\$ -	\$ (3,298,848)
2905 (00205) Parkland Facilities Development Impact Fee	\$ 2,998,802	\$ 201,942	\$ (461,500)	\$ 211,010	\$ 53,105	\$ 2,739,244
2906 (00206) Quimby In-Lieu Park Fee	\$ 2,056,680	\$ -	\$ (846,500)	\$ 670,416	\$ 35,278	\$ 1,915,874
2907 (00207) Recreation Center Development Impact Fee	\$ (143,867)	\$ 62,460	\$ -	\$ -	\$ -	\$ (81,407)
2908 (00208) Libraries Development Impact Fee	\$ 4,315,559	\$ 29,520	\$ -	\$ -	\$ 40,102	\$ 4,385,181
2909 (00209) City Hall Development Impact Fee	\$ 2,196,952	\$ 106,333	\$ -	\$ -	\$ 39,996	\$ 2,343,281
2910 (00210) Corporate Yard Development Impact Fee	\$ 2,691,888	\$ 322,766	\$ -	\$ -	\$ 54,299	\$ 3,068,953
2911 (00211) Interchange Improvements Development Impact Fee	\$ 189,434	\$ 277,546	\$ -	\$ -	\$ 4,851	\$ 471,831
2912 (00212) Maintenance Equipment Development Impact Fee	\$ 108,354	\$ 88,281	\$ -	\$ -	\$ 2,338	\$ 198,973
2913 (00213) Animal Shelter Development Impact Fee	\$ (172,372)	\$ 17,726	\$ -	\$ -	\$ -	\$ (154,646)
2914 Administration Development Impact Fee	\$ 12,190	\$ 45,895	\$ -	\$ -	\$ -	\$ 58,085
3001 (00413) Capital Improvement Fund	\$ 38,487	\$ -	\$ -	\$ -	\$ -	\$ 38,487

The reservation of Fund Balance and disbursement information for each of the above funds is as follows:

<u>Fund 2901 (00201)- Arterial Streets Development Impact Fee</u>		<u>% Funded by Impact Fees</u>
<u>Fund Balance Designations:</u>		
Future Arterial Streets Development	<u>\$ (318,271)</u>	
Unreserved Fund Balance	None	
Funds unexpended or uncommitted for five years or more	None	
<u>Disbursements:</u>		
Debt Service – 2005 Lease Revenue Bonds Current Year	1,118,200	100%
	<u>\$ 1,118,200</u>	

<u>Fund 2902 (00202) Traffic Signal Development Impact Fee</u>		<u>% Funded by Impact Fees</u>
<u>Fund Balance Designations:</u>		
Future Traffic Signal Development	<u>\$ 81,143</u>	
Unreserved Fund Balance	None	
Funds unexpended or uncommitted for five years or more	None	
<u>Disbursements:</u>		
Transportation Management System	50,000	11%
Perris Blvd	307,000	4%
	<u>\$ 357,000</u>	

<u>Fund 2903 (00203) Fire Facility Development Impact Fees</u>	<u>% Funded by Impact Fees</u>	
<u>Fund Balance Designations:</u>		
Future Fire Facility	\$ 440,527	
Unreserved Fund Balance	None	
Funds unexpended or uncommitted for five years or more	None	
<u>Disbursements:</u>		
Fire Station 6 Multipurpose Annex	20,000	100%
Security fencing at Fire Stations 48 and 65	130,000	100%
Remodel Fire Station 48 (Sunnymead Ranch)	650,000	100%
Debt Service – 2005 Lease Revenue Bonds Current Year	256,400	100%
	<u>\$ 1,056,400</u>	

<u>Fund 2904 (00204) Police Facility Development Impact Fee</u>	<u>% Funded by Impact Fees</u>	
<u>Fund Balance Designations:</u>		
Future Police Facility	\$ (3,298,848)	
Unreserved Fund Balance	None	
Funds unexpended or uncommitted for five years or more	None	
<u>Disbursements:</u>		
Debt Service – 2005 Lease Revenue Bonds Current Year	676,800	100%
	<u>\$ 676,800</u>	

<u>Fund 2905 (00205) Parkland Facilities Development Impact Fee</u>	<u>% Funded by Impact Fees</u>	
<u>Fund Balance Designations:</u>		
Future Parkland Facility	\$ 2,739,244	
Unreserved Fund Balance	None	
Funds unexpended or uncommitted for five years or more	None	
<u>Disbursements:</u>		
Dog Park Improvements	5,000	50%
Cottonwood Golf Course Driving Range	50,000	80%
Lasselle Sports Park Fitness Equipment	44,000	100%
Lasselle Sports Park Security Cameras	85,000	100%
Lasselle Sports Park Security Monitoring System	7,500	100%
Outdoor Exercise Equipment	20,000	100%
Rancho Verde Park	250,000	100%
	<u>\$ 461,500</u>	

Fund 2906 (00206) Quimby In-Lieu Park Fee

Fund Balance Designations:

Future Parkland	<u>\$ 1,915,874</u>
Unreserved Fund Balance	None
Funds unexpended or uncommitted for five years or more	None

<u>Disbursements:</u>		<u>% Funded by Impact Fees</u>
Roof Replacement at Gateway and Westbluf Parks	40,000	100%
Weston Park Restroom and ADA Improvements	10,000	100%
Annual ADA Park Improvements	125,000	100%
Cottonwood Golf Course Driving Range	10,000	20%
Dog Park Improvements	5,000	50%
El Potrero Park Irrigation	80,000	100%
Fairway Park (Skatepark)	75,000	100%
Morrison Park Relamping	99,000	100%
Park Monument Signs	7,500	100%
Replacement Playground Equipment	395,000	100%
	<u>\$ 846,500</u>	

Fund 2907 (00207) Recreation Center Development Impact Fee

Fund Balance Designations:

Future Recreation Center	<u>\$ (81,407)</u>
Unreserved Fund Balance	None
Funds unexpended or uncommitted for five years or more	None

<u>Disbursements:</u>		<u>% Funded by Impact Fees</u>
No Disbursements	-	
	<u>\$ -</u>	

Fund 2908 (00208) Libraries Development Impact Fee

Fund Balance Designations:

Future Libraries	<u>\$ 4,385,181</u>
Unreserved Fund Balance	None
Funds unexpended or uncommitted for five years or more	None

<u>Disbursements:</u>		<u>% Funded by Impact Fees</u>
No Disbursements	-	
	<u>\$ -</u>	

Fund 2909 (00209) City Hall Development Impact Fee

Fund Balance Designations:

Future City Hall	<u>\$ 2,343,281</u>
Unreserved Fund Balance	None
Funds unexpended or uncommitted for five years or more	None

Disbursements:

No Disbursements	-	<u>% Funded by Impact Fees</u>
	-	21%
	<u>\$ -</u>	

Fund 2910 (00210) Corporate Yard Development Impact Fee

Fund Balance Designations:

Future Corporate Yard	<u>\$ 3,068,953</u>
Unreserved Fund Balance	None
Funds unexpended or uncommitted for five years or more	None

Disbursements:

No Disbursements	-	<u>% Funded by Impact Fees</u>
	-	
	<u>\$ -</u>	

Fund 2911 (00211) Interchange Improvements

Fund Balance Designations:

Future Interchange Improvements	<u>\$ 471,831</u>
Unreserved Fund Balance	None
Funds unexpended or uncommitted for five years or more	None

Disbursements:

No Disbursements	-	<u>% Funded by Impact Fees</u>
	-	100%
	<u>\$ -</u>	

Fund 2912 (00212) Maintenance Equipment Development Impact Fee

Fund Balance Designations:

Future Maintenance Equipment \$ 198,973

Unreserved Fund Balance None

Funds unexpended or uncommitted for five years or more None

Disbursements:

No Disbursements -
\$ -

**% Funded by
Impact Fees**

Fund 2913 (00213) Animal Shelter Development Impact Fee

Fund Balance Designations:

Future Animal Shelter \$ (154,646)

Unreserved Fund Balance None

Funds unexpended or uncommitted for five years or more None

Disbursements:

No Disbursements -
\$ -

**% Funded by
Impact Fees**

Fund 2914 Administration Development Impact Fee

Fund Balance Designations:

Future Development Impact Fee Study \$ 58,085

Unreserved Fund Balance None

Funds unexpended or uncommitted for five years or more None

Disbursements:

No Disbursements -
\$ -

**% Funded by
Impact Fees**

Fund 3001 (00413) Capital Improvement Fund

Fund Balance Designations:

Future Animal Shelter \$ 38,487

Unreserved Fund Balance None

Funds unexpended or uncommitted for five years or more None

Fund Balance Designations

Long Term Receivable - Koll-Oleander 38,487
\$ 38,487

Disbursements:

No Disbursements -
\$ -

**% Funded by
Impact Fees**

Date Adopted:
07/09/2013

Section 11 - Development Impact Fees

Unit	Residential				Commercial		Industrial		Office
	Single Family	Affordable Single Family	Multi-Family	Affordable Multi-Family	General	Regional	General	High-Cube	
	DU	DU	DU	DU	KSF	KSF	KSF	KSF	KSF
Transportation Uniform Mitigation Fees (TUMF)	\$ 8,873.00	\$ -	\$ 6,231.00	\$ -	\$ 10,490.00	\$ 10,490.00	\$ 1,730.00	See note [5]	\$ 2,190.00
Arterial Streets	\$ 1,125.00	\$ 563.00	\$ 788.00	\$ 394.00	\$ 1,480.00	\$ 1,298.00	\$ 730.00	\$ 171.00	\$ 1,023.00
Traffic Signals	\$ 765.00	\$ 382.00	\$ 535.00	\$ 268.00	\$ 1,006.00	\$ 882.00	\$ 496.00	\$ 116.00	\$ 695.00
Interchange Improvement	\$ 701.00	\$ 350.00	\$ 491.00	\$ 245.00	\$ 922.00	\$ 808.00	\$ 455.00	\$ 106.00	\$ 637.00
Fire Facilities	\$ 981.00	\$ 490.00	\$ 262.00	\$ 131.00	\$ 360.00	\$ 360.00	\$ 257.00	\$ 257.00	\$ 300.00
Police Facilities	\$ 494.00	\$ 247.00	\$ 192.00	\$ 96.00	\$ 646.00	\$ 553.00	\$ 116.00	\$ 116.00	\$ 247.00
Park Improvements	\$ 2,729.00	\$ 1,364.00	\$ 2,332.00	\$ 1,166.00	\$ -	\$ -	\$ -	\$ -	\$ -
Recreation Centers	\$ 694.00	\$ 347.00	\$ 593.00	\$ 297.00	\$ -	\$ -	\$ -	\$ -	\$ -
Libraries and Materials	\$ 328.00	\$ 164.00	\$ 280.00	\$ 140.00	\$ -	\$ -	\$ -	\$ -	\$ -
Animal Shelter	\$ 197.00	\$ 98.00	\$ 168.00	\$ 84.00	\$ -	\$ -	\$ -	\$ -	\$ -
Maintenance Equipment	\$ 152.00	\$ 76.00	\$ 41.00	\$ 20.00	\$ 56.00	\$ 56.00	\$ 40.00	\$ 40.00	\$ 47.00
City Hall	\$ 181.00	\$ 90.00	\$ 48.00	\$ 24.00	\$ 66.00	\$ 66.00	\$ 47.00	\$ 47.00	\$ 55.00
Corporate Yard	\$ 543.00	\$ 272.00	\$ 145.00	\$ 72.00	\$ 200.00	\$ 200.00	\$ 143.00	\$ 143.00	\$ 166.00
Total	\$ 17,763.00	\$ 4,443.00	\$ 12,106.00	\$ 2,937.00	\$ 15,226.00	\$ 14,713.00	\$ 4,014.00	\$ 996.00	\$ 5,360.00
2% Admin Fee	\$ 177.00	\$ 88.86	\$ 117.50	\$ 58.74	\$ 94.72	\$ 84.46	\$ 45.68	\$ 19.92	\$ 63.40
TOTAL	\$ 17,940.00	\$ 4,531.86	\$ 12,223.50	\$ 2,995.74	\$ 15,320.72	\$ 14,797.46	\$ 4,059.68	\$ 1,015.92	\$ 5,423.40

NOTES:

1. The general policy is that all impact fees will be adjusted annually.
2. The fees will be adjusted to reflect the annual increase using the Council approved 20-City Average Building Code Index of the Engineering News Record.
3. TUMF fees are set by the Western Riverside County Organization of Governments (WRCOG). MSHCP and SKR mitigation fees also apply. MSHCP mitigation fees are set by the Western Riverside County-Regional Conservation Authority. SKR mitigation fees are set by the Riverside County Habitat Conservation Agency.
4. High Cube Warehouse and Distribution Centers are defined as those with a minimum gross floor area of more than 200,000 square feet, a minimum ceiling height of 24 feet, and a minimum of dock-high door loading ratio of 1 door per 10,000 square feet.
5. TUMF fees will apply. The TUMF fee for high cube is calculated based on an adjusted square footage which is determined by multiplying the building square footage exceeding 200,000 square feet by 0.24, and then adding 200,000. The adjusted square footage is then multiplied by the adopted TUMF industrial fee (currently \$1.73 per square foot).

UNITS LEGEND

DU = Dwelling Unit for residential Development types

KSF = 1,000 gross square feet of building area for commercial, industrial and office development types

IMPLEMENTATION NOTES:

All development impact fees shall be charged at 100% of the fees as calculated in the Development Impact Fee Update Study Report (nexus study).

With respect to Residential Affordable Single-Family and Residential Affordable Multi-Family, these fees shall be collected at the Council-approved reduced amount. These fees do not increase the impacts on other residential developments.

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>[Signature]</i>
CITY MANAGER	<i>[Signature]</i>

Report to City Council

TO: Mayor and City Council

FROM: Joel Ontiveros, Chief of Police

AGENDA DATE: December 9, 2014

TITLE: AUTHORIZATION TO ACCEPT A \$25,000 GRANT FROM THE DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL, "MINOR DECOY/SHOULDER TAP PROGRAM"

RECOMMENDED ACTION

Recommendations:

1. Authorization for the Police Department to accept a \$25,000 grant from the Department of Alcoholic Beverage Control (ABC), to conduct Minor Decoy/Shoulder Tap programs, for the period beginning October 1, 2014, and ending September 30, 2015.
2. Authorize all Police Department personnel overtime costs associated with this grant be directly billed to the Riverside County Sheriff's Department Grant Unit that will manage and reconcile the funds for this grant. All reimbursement funds will be sent directly to the Sheriff's Department and will not affect the City revenue or expense budgets. No appropriations or expenditures will be encumbered by the City, and the Police Department is not requesting a change to Police revenue or expense budgets for FY2014/2015.

SUMMARY

The City Council is requested to authorize the application and acceptance of the 2014 ABC Minor Decoy/Shoulder Tap Program grant, in the amount of \$25,000 for the period beginning October 1, 2014 and ending September 30, 2015. As a result of the Riverside County Sheriff's Department administering this grant, there will be no impact to the City General Fund budget, as all City personnel overtime cost and expenses related to this grant will be billed and paid directly by the Sheriff's Department. Therefore, there will be no changes to the FY2014/2015 Police budget as a result of this

grant. The City Council has been supportive of the application and acceptance of this grant in years prior.

DISCUSSION

The City of Moreno Valley has 76 On-Sale and 80 Off-Sale ABC licensed establishments that sell alcohol on a daily basis. An On-Sale ABC license authorizes the sale of beer, wine, and distilled spirits for consumption on the premises (taverns/restaurants). An Off-Sale ABC license authorizes the sale of beer, wine, and distilled spirits, for consumption off the premises where sold. In 2013, the Moreno Valley Police Department responded to 835 calls for service involving public intoxication, 12 calls for service involving the sale of alcohol to minors and 13 calls for service involving minors in possession of alcohol. Efforts directed at reducing under-age alcohol-related incidents involve conducting shoulder tap/minor decoy operations. A Should Tap/Minor Decoy operation is conducted by utilizing a young person between the ages of 18 to 20 years of age, working in conjunction with law enforcement, entering an establishment (convenience stores/food marts etc.) and attempting to purchase alcoholic beverages. It is a misdemeanor for an employee (usually the clerk) to sell/furnish an alcoholic beverage to an under-aged person, without making a reasonable attempt to identify the age of that customer.

In January of 2014, the Moreno Valley Police Department's Problem Oriented Policing Team (POP) conducted a Shoulder Tap operation with the assistance from the Department of Alcoholic Beverage Control (ABC). The program resulted in 5 offenders being issued citations for furnishing alcohol to a minor. The POP team conducted an additional 4 shoulder tap operations between March and June 2014, resulting in the arrest of 11 subjects for misdemeanor furnishing alcohol to a minor. In the same time span, 2 minor decoy operations were conducted at 25 licensed establishments resulting in 2 arrests for furnishing alcohol to the decoy.

The Police Department is seeking City Council's authorization to accept this \$25,000 grant from ABC, to combat alcohol related problems within the City of Moreno Valley. The grant will enable the POP Team to work with ABC agents to conduct Minor Decoy and Shoulder Tap programs at many of the On-Sale and Off-Sale ABC licensed establishments. In addition, the POP Team will host a Licensee Education on Alcohol and Drugs (LEAD) class for licensees in the City. In accordance with the ABC grant, the LEAD training will be provided by ABC's Training/LEAD Unit. The goal of the operations and training is deterring alcohol related problems that relate to illicit activity.

The Department of Alcoholic Beverage Control provides grant funding to law enforcement agencies to enable them to address alcohol related crimes. Agencies must be willing to work joint operations with ABC and follow their guidelines. The grant targets Minor Decoy and Shoulder Tap operations within both On-Sale and Off-Sale ABC licensed establishments.

The Moreno Valley Police Department's POP Team has conducted both Minor Decoy and Shoulder Tap programs in the past and found them to be a successful deterrent to

alcohol related crimes. Acceptance of the grant would require the POP Team to follow ABC guidelines, which are as follows: 1) announce the start of the Minor Decoy/Shoulder Tap programs, 2) announce the number of licensed premises that sold to the minor decoy and/or the number of adults arrested for purchasing alcoholic beverages for a minor decoy, 3) fax a copy of each press release to ABC, 4) monitor the time frames in the grant, 5) maintain and reconcile costs and expenses within the approved grant fund amounts of each category, 6) maintain adequate records for validation of project progress and accountability for all funds expended on the project, and 7) submit the required project reports to ABC.

The POP Team will conduct five (5) Minor Decoy and five (5) Shoulder Tap operations and two (2) I.M.P.A.C.T. inspections within the grant period of October 1, 2014, through September 30, 2015. The minor decoy and shoulder tap operations as well as the I.M.P.A.C.T. inspections will occur at the majority of On-Sale and Off-Sale ABC licensed establishments in the city of Moreno Valley. In addition, the POP team will host one Licensee Education on Alcohol and Drugs (LEAD) class for licensees located within the City.

The grant will not affect current Moreno Valley Police staffing levels. The staffing level on the current POP Team combined with officers from other Special Enforcement Teams will be sufficient to fulfill the grant requirements.

ALTERNATIVES

The Council has the following alternatives:

1. Approve the application and acceptance of the FY2014 ABC Grant titled "Minor Decoy/Shoulder Tap Program" for \$25,000. **Staff recommends this alternative.**
2. Decline the 2014 application for the ABC Grant titled "Minor Decoy/Shoulder Tap Program" for \$25,000. **Staff does not recommend this alternative.**

FISCAL IMPACT

There is no requirement to match funds associated with this grant. There is no fiscal impact to the City revenue and expense budgets. All City personnel overtime expenses are billed and paid directly by the Riverside County Sheriff's Department, and as a result the Sheriff's Department will be reimbursed by ABC. Therefore, there is no impact to the City General Fund and the Police Department's FY2014/2015 budget will not be affected.

CITY COUNCIL GOALS

To provide a safe and secure environment for people and property in the community, and provide protection for citizens who live, work and visit the City of Moreno Valley.

Prepared By:
Eric Hernandez
Lieutenant

Department Head Approval:
Joel Ontiveros
Chief of Police

**MINUTES – SPECIAL REGULAR MEETING OF
NOVEMBER 18, 2014**

(Report of: City Clerk Department)

Recommendation: Approve as submitted.

SEE AGENDA ITEM A.2

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>R</i>
CITY MANAGER	<i>D</i>

Report to City Council

TO: Mayor and City Council

FROM: Richard Teichert, Chief Financial Officer

AGENDA DATE: December 9, 2014

TITLE: PUBLIC HEARING TO COLLECT COMMUNITY NEEDS COMMENTS AND ADOPTION OF FY 2015-2016 CDBG AND HOME PROGRAM OBJECTIVES AND POLICIES

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Conduct a Public Hearing to allow for the community to comment on the needs of low-and-moderate income residents in Moreno Valley, including the CDBG Target Areas.
2. Approve the proposed CDBG and HOME Program Objectives and Policies for the 2015-2016 Program Year.

SUMMARY

The Public Hearing is one of the essential components of the 'Citizen Participation Process', which is intended to encourage active and informed participation in the CDBG and HOME Programs by the community. Each year, the City conducts Community Meetings/Public Hearings to receive input on the current 'needs' of its low-to-moderate income residents. In accordance with HUD's requirements, Moreno Valley's Objectives and Policies must be re-evaluated each year to ensure they adequately reflect the current needs of the community. Attendees are asked to comment on issues and problems affecting low-to-moderate income persons so that the City makes informed funding decisions.

To date the City has received comments from the community as expressed at prior Public Safety Sub-Committee meetings and a Finance Subcommittee Meeting by the City Council members on behalf of their constituents. These initial comments have

expressed an interest and desire to meet the needs of the community related to public safety services. Historically the Police's Problem Oriented Policing (POP) team has received funding through the CDBG program, which has been eliminated over the past years. These initial comments along with any comments received at the community meetings are taken into consideration when selecting projects for the coming fiscal year. The FY 2015-16 grant allocations may be used to re-establish the CDBG funding for this program.

Objectives and Policies must be included in the Annual Action Plan update to HUD in order to receive Fiscal Year 2015-16 CDBG and HOME entitlement grant allocations. The current overall objectives and policies for CDBG and HOME coincide with the 2013-2018 Consolidated Plan. The only recommended changes are within the Public Services Ranking. With this report, Staff recommends Council adopt the objectives and priorities for the upcoming fiscal year. Per HUD recommendation, the policies for the City's new Emergency Solutions Grant (ESG) program shall be constructed together with the County of Riverside and the City ESG subgrantee(s). This process is underway.

DISCUSSION

Every year, the Department of Housing and Urban Development (HUD) allocates federal grant monies to the City of Moreno Valley known as the Community Development Block Grant (CDBG) and the HOME Investment Partnership Program (HOME). These grants are used to provide services to benefit low-and-moderate income persons (see Attachment 1 for the 2014 Income Levels). Eligible CDBG grant activities range from social services to capital improvements to business and employment development. HOME funds must be used toward the development of affordable housing programs. Attachment 2 details eligible and ineligible activities for both programs.

HUD requires that cities concentrate their programs in areas determined to contain residents of which at least 51% earn low-to-moderate incomes, these areas are referred to as 'CDBG Target Areas'. CDBG Target areas are re-evaluated every 10 years and are under review for modification based on updated census data. For a map of the current Moreno Valley's CDBG Target Areas please see Attachment 3.

Each entitlement city must also prepare a Consolidated Plan that establishes CDBG activities for a five year period. Moreno Valley's last Consolidated Plan was adopted in FY 2013-14 and will remain in effect through the end of FY 2018-19. For each individual Consolidated Plan year, entitlement cities must adopt a separate planning document called the Annual Action Plan. The Annual Action Plan identifies how the City will allocate both CDBG and HOME funds for the upcoming year while meeting the goals established in the Consolidated Plan. Each Annual Action Plan must include up-to-date Objectives and Policies for both CDBG and HOME Programs.

The CDBG and HOME program year activities are structured so that HUD will receive the 2015-16 Annual Action Plan by the mandatory federal deadline of May 17, 2015.

Prior to submittal, the City is required to complete a series of sequential activities including three Public Hearings to:

1. Adopt current Objectives and Policies (tonight),
2. Recommend CDBG and HOME Project Selections – Finance Subcommittee (February 2015), and
3. Adopt the program year Annual Action Plan – City Council meeting (May 2015).

These activities must be completed on schedule for the FY 2015-16 Annual Action Plan to be submitted on time.

Before a City can begin the project selection process for CDBG and HOME, HUD requires a jurisdiction to complete a mandatory ‘Citizen Participation Process’ and adopt objectives and policies that reflect the current needs of the community.

Moreno Valley’s ‘Citizen Participation Process’

The ‘Citizen Participation Process’ is intended to encourage active and informed participation in the CDBG and HOME Programs by the community. Each year as part of this process, the City must hold a minimum of two Community Meetings/Public Hearings to receive input on the current ‘needs’ of its low-to-moderate income residents. Tonight’s meeting represents one of the required meetings (the second is to be held as a Finance Subcommittee Meeting in February 2015). Attendees are asked to comment on issues and problems affecting low-to-moderate income persons so that the City makes informed funding decisions. Comments received at these meetings are taken into consideration when selecting projects for the coming fiscal year.

Purpose of Objectives and Policies

In accordance with HUD’s requirements, Moreno Valley’s Objectives and Policies must be re-evaluated each year to ensure they adequately reflect the current needs of the community. The updated Objectives and Policies must then be adopted by the City Council for the upcoming CDBG and HOME program year. Objectives and Policies primarily focus on: (1) defining the City’s funding priorities, (2) offering project selection criteria, and (3) providing guidance for staff when reviewing and recommending programs and projects for funding. Both are distributed to non-profit agencies who are interested in applying for funding to develop a local social service program in Moreno Valley and convey important information about the eligible categories of programs and the City’s priorities for local organizations.

In the last two years, the City had worked with the same eight objectives and four policies, but has recently introduced two policies. The first encouraged collaborations between community non-profits and the second establishing a minimum grant limit of \$10,000 for its CDBG public service programs.

The City has received some initial comments from the community as expressed at prior Public Safety Sub-Committee meetings and Finance Subcommittee Meeting by the City

Council members. These initial comments have expressed an interest and desire to meet the needs of the community related to public safety services. The Objectives and Policies currently include public safety services as an eligible CDBG activity, which may be funded through the Public Service Activities.

This Year's (2015-16) Recommendation of Priority Ranking under the 'Public Services' Objective

An eligible use of CDBG monies is 'Public Services.' Public Services can include, but are not limited to, food banks, public safety, homeless shelters, specialized counseling, and foster youth services that benefit the City's low income households. HUD limits the monies that can be used toward Public Services to 15% of the overall annual CDBG allocation, which for Moreno Valley averages approximately \$280,000 per year. Because these particular monies are very limited and the demand is so high, staff has established a priority ranking within this objective category that assists in reaching decisions on which programs are best suited for the community within a given year.

After research, and review of various program reports, including those provided by the City's local non-profits currently serving the City's low-and-moderate income population, and comments received to date, staff recommends the following priority ranking under the Public Service Objective:

- (1) 'Basic Needs' Related Social Services Programs (such as but not limited to emergency food, shelter (homelessness), and utility assistance)
- (2) Community Public Safety Programs
- (3) Employment Services/Programs and Job (Skills) Training
- (4) Programs offering Low-Cost Transportation
- (5) Free/Low-Cost programs for School-Aged Youth

The City seeks to address the most urgent 'needs' of its residents first. Because of the documented public demand for the 'basic needs' types of programs and the concerns voiced by the public about public safety, staff recommends those be the top two priorities for FY 2015-16 and the other still relevant priorities shall carry into the new program year.

ALTERNATIVES

1. Staff recommends that the City Council conduct a Public Hearing, receive comments, and adopt the proposed CDBG and HOME Objectives and Policies as listed on Attachment 4. Doing so will meet HUD's requirements, as well as provide the public and staff with direction regarding funding proposals for FY 2015-16.

2. The City Council may amend or reprioritize any of the proposed Objectives and Policies.

FISCAL IMPACT

The approval of Objectives and Policies for the Fiscal Year 2015-16 Annual Action Plan will not impact other City funding, including the General Fund. CDBG and HOME funds are restricted funding sources to be used exclusively for projects and programs allowed by HUD regulations and may not be used to fund other general government programs and services. CDBG and HOME grants do not require matching funds.

Objectives and Policies are needed for staff to begin the budget process for FY 2015-16 CDBG and HOME Programs. To ensure the timely receipt of the 2015-16 CDBG and HOME entitlement allocations, the entire process (including project selection and submittal of the Annual Action Plan to HUD) must be completed by May 17, 2015.

At the time of this staff report submittal, the federal government has not yet approved the grant allocations. However, based on last fiscal year's entitlement allocations, staff estimates the 2015-16 CDBG grant to be approximately \$2 million and HOME grant to be approximately \$500,000.

CITY COUNCIL GOALS

Approval of this proposed action would support the following Council goals:

POSITIVE ENVIRONMENT

Create a positive environment for the development of Moreno Valley's future.

COMMUNITY, IMAGE, NEIGHBORHOOD PRIDE & CLEANLINESS

Promote a sense of community pride and foster an excellent image about our City by developing and executing programs which will result in quality development, enhanced neighborhood preservation efforts, including home rehabilitation and neighborhood restoration.

REVENUE DIVERSIFICATION AND PRESERVATION. Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

PUBLIC SAFETY

Activities will directly or indirectly help to provide a secure environment for individuals in the community.

NOTIFICATION

This report was reviewed and concurred by the City's Finance Subcommittee on December 1, 2014.

Notice of this meeting was published in the local section of *The Press-Enterprise* newspaper on November 25, 2014.

ATTACHMENTS

Attachment 1: 2014 Income Limits Table

Attachment 2: Eligible & Ineligible Grant Activities

Attachment 3: CDBG Target Area Map

Attachment 4: Proposed CDBG and HOME Objectives and Policies 2015-2016

Prepared By:
Isa Rojas
Management Analyst

Department Head Approval:
Richard Teichert
Chief Financial Officer

Concurred By:
Marshall Eyerman
Financial Resources Division Manager

2014 INCOME LIMITS

Revised Annually by the Dept. of Housing & Urban Development (HUD)

Annual Income Level	% of Area Median	Number of Persons In Household							
		1	2	3	4	5	6	7	8
Extremely Low Income	30%	\$12,750	\$14,600	\$16,400	\$18,200	\$19,700	\$21,150	\$22,600	\$24,050
Very Low Income	50%	\$21,250	\$24,300	\$27,350	\$30,350	\$32,800	\$35,250	\$37,650	\$40,100
Low Income	80%	\$34,000	\$38,850	\$43,700	\$48,550	\$52,450	\$56,350	\$60,250	\$64,100

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Eligible CDBG Activities

- ∇ Acquisition, design, construction, rehabilitation, or installation of certain publicly owned facilities such as:
 - Parks, playgrounds and recreational facilities.
 - Senior centers, except 24-hour care facilities.
 - Neighborhood facilities.
 - Fire protection facilities and equipment.
 - Parking facilities.
 - Street improvements.
 - Flood, drainage, or sewer facilities.
 - Other improvements vital to a community's development.
- ∇ Acquisition of property that is: of historic value; appropriate for beautification or conservation of open spaces; appropriate for low or moderate income housing.
- ∇ Clearance and demolition of buildings and land which may be a health hazard to the community. Interim assistance or temporary help to alleviate harmful or dangerous conditions.
- ∇ Removal of architectural barriers which restrict the mobility of handicapped persons.
- ∇ Rehabilitation and preservation of buildings and improvements, both publicly and privately owned.
- ∇ Code enforcement in designated target areas.
- ∇ Historic preservation activities.
- ∇ Eligible economic development activities.
- ∇ Eligible planning and environmental design costs.
- ∇ Public services including, but not limited to: fair housing activities, public safety services, homeless services, senior citizen services, educational programs, youth services, drug abuse counseling & treatment and recreation programs.

Ineligible CDBG Activities

- ∇ Buildings for the general conduct of government, such as city halls, courthouses, and police stations.
- ∇ Stadiums, sports arenas, auditoriums, museums and central libraries (Note: branch libraries may be built in CDBG Target Areas).
- ∇ Purchase of equipment such as construction equipment, fire protection equipment, furnishings, and personal property.
- ∇ Schools
- ∇ Airports, subways, bus or other stations.
- ∇ Hospitals, nursing homes, and other medical facilities.
- ∇ Treatment works for liquid industrial wastes or sewage.
- ∇ Expenses of general government for operation and maintenance of public facilities.
- ∇ Political activities.
- ∇ Direct income payments to residents.

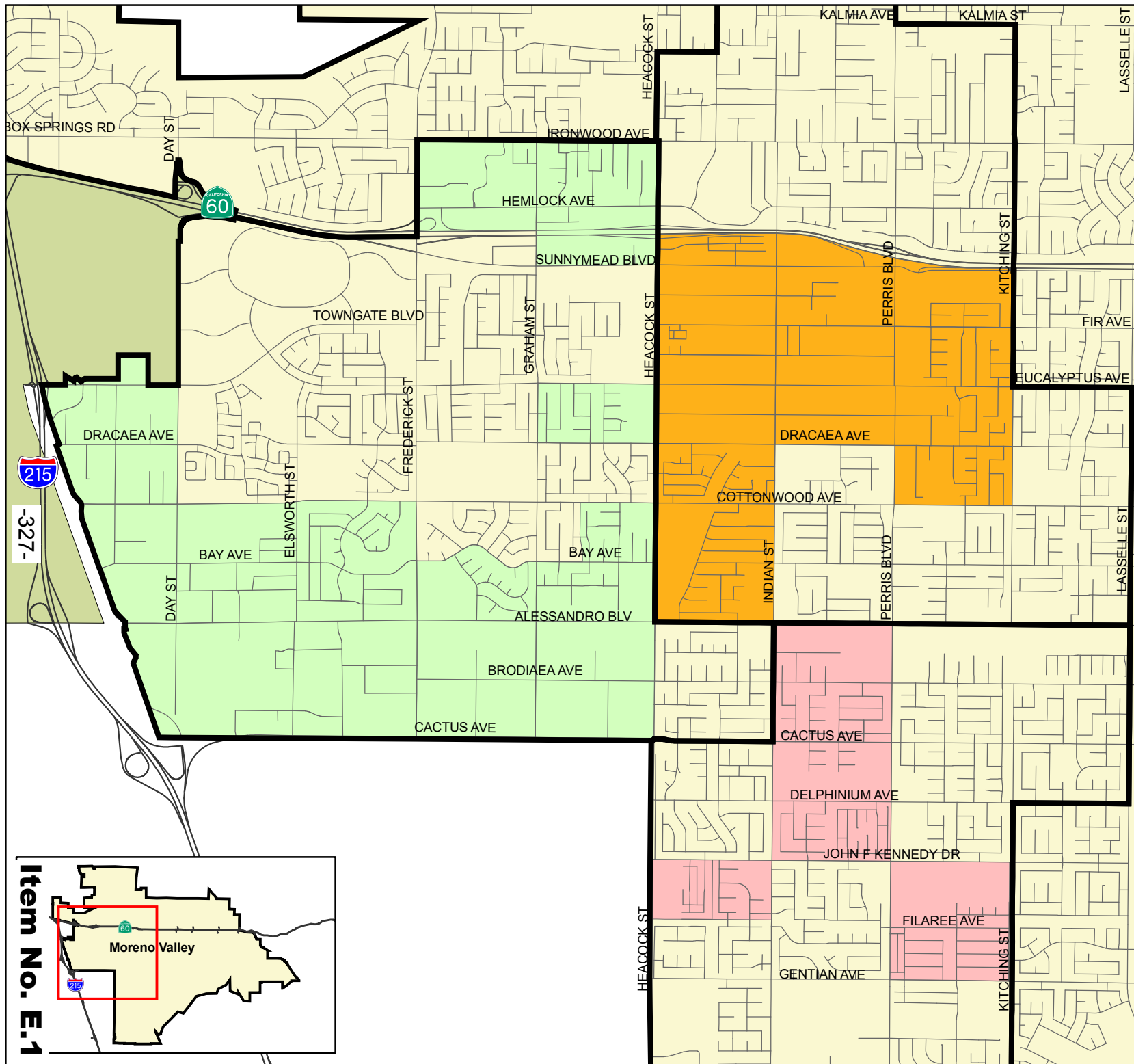
Eligible HOME Activities

- ∇ Loans and grants provided by Participating Jurisdictions (the City of Moreno Valley is a Participating Jurisdiction) to develop and support affordable rental housing and homeownership affordability through acquisition, new construction, reconstruction, or rehabilitation of non-luxury housing (including manufactured housing).
- ∇ Operating expenses and capacity building costs for eligible Community Housing Development Organizations (CHDO).
- ∇ Eligible administrative and planning costs.







Ineligible HOME Activities

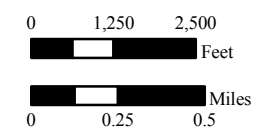
- ∇ Project reserve accounts or operating subsidies.
- ∇ Tenant-based rental assistance for the special purposes of the Section 8 program.
- ∇ To provide non-federal matching contributions.
- ∇ To provide assistance to annual contributions for the operation of public housing.
- ∇ Modernization of public housing.
- ∇ Prepayment of low-income housing mortgages.
- ∇ Assistance to a project previously assisted with HOME funds during the period of affordability.

CITY OF MORENO VALLEY CDBG TARGET AREAS



CDBG Districts

-  District 1
-  District 4
-  District 5
-  Council District Boundaries
-  Moreno Valley
-  Riverside

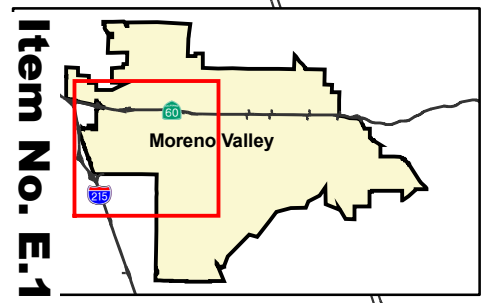


Map Produced by Moreno Valley Geographic Information System
 Geographic Information in:
 State Plane NAD 83 California Zone 6 Feet
 G:\ArcMap\Code\
 CDBG target areas_1007.mxd
 October 30, 2007

The information shown on this map was compiled from the Riverside County GIS and the City of Moreno Valley GIS. The land base and facility information on this map is for display purposes only and should not be relied upon without independent verification as to its accuracy. Riverside County and City of Moreno Valley will not be held responsible for any claims, losses or damages resulting from the use of this map.



MORENO VALLEY
 WHERE DREAMS SOAR



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FY 2015-16 Proposed CDBG & HOME Objectives and Policies

The City of Moreno Valley has established the following Community Development Objectives and Policies in order to give maximum priority to projects and activities that will benefit low-and-moderate income residents. Proposed programs for the upcoming year should fit into one of the categories of Objectives. Staff will abide to the given Policies when reviewing proposed programs for potential funding.

OBJECTIVES *(listed alphabetically)*

Capital Improvement Activities

Acquisition, design, construction, and installation of needed public facilities and improvements located in CDBG income eligible Target Areas where infrastructure is missing or substandard. Public facilities and improvements may include street improvements, storm drains, and water and sewer lines. Improvements shall facilitate pedestrian activity, eliminate flooding, and provide for safer streets within the Target Areas.

Economic Development Activities*

Expanded economic opportunities through micro-enterprise loan programs and counseling as well as employment and job skills programs to create and retain jobs for low-and-moderate persons.

Fair Housing Activities *

The promotion of housing choice and support of state and federal fair housing laws to ensure that all residents have access to a decent home in a suitable living environment in the City. Fair Housing activities are met by promoting and affirmatively furthering equitable housing opportunities through education, counseling, enforcement, and training.

This objective also includes the prevention of foreclosure through counseling, mediation, and case management for homeowners facing mortgage delinquency, default, or any stage of foreclosure, thereby maintaining safe, stable neighborhoods and community.

Health, Safety, and Public Welfare

Eliminating conditions which are detrimental to health, safety, and public welfare through interim rehabilitation, community policing, code enforcement, etc.

**Objectives and Policies
CDBG & HOME Programs (Continued)**

Historic Preservation*

Restoring and preserving properties formally designated as historic structures.

Housing and Neighborhood Improvement Activities

Conserving and improving housing stock through rehabilitation of units occupied by low-and-moderate income households. Activities are designed to: (1) improve existing substandard or deteriorated housing stock that does not meet building, safety, or fire code and (2) achieve the goals identified in the City's Consolidated Plan.

Public Service Activities*

Improving the quantity and quality of public services, principally for low-and-moderate income persons, including the homeless, elderly, and disabled. The following services are identified by order of priority:

- (1) 'Basic Needs' Related Social Services Programs (such as but not limited to emergency food, shelter (homelessness), and utility assistance)
- (2) Community Public Safety Programs
- (3) Employment Services/Programs and Job (Skills) Training
- (4) Programs offering Low-Cost Transportation
- (5) Free/Low-Cost programs for School-Aged Youth

Slum or Blight Activities

Elimination of slums and blight in order to prevent the deterioration of City neighborhoods, principally in the CDBG Target Areas.

**** These activities pertain to the CDBG Program only.***

**Objectives and Policies
CDBG & HOME Programs (Continued)**

POLICIES

In order to meet the objectives and ensure efficient use of CDBG and HOME funds, the following policies have been established:

City Projects and Programs

Certain public improvements, such as storm drains, curb, gutter, and sidewalks may at the Council's discretion be given priority and that provide long term benefits to improve low-and-moderate income CDBG Target Areas. Examples of these City sponsored programs include Code Enforcement activities, Community Policing, and Neighborhood Clean-ups.

Provider Collaboration

Providers (local non-profits) that intend to provide similar services and programs to Moreno Valley's low-and-moderate residents shall be given funding priority for combining resources and efforts into a single program. Providers complete and submit a single CDBG or HOME application on behalf of the collaborating group. Funding priority would be given at the time of application review in the form of extra points on their overall application.

Local Services

Providers that are located in the City will be given funding priority when they are providing services equivalent to those offered by providers located outside the City.

The ultimate goal is to have services available and accessible within the City limits to serve all residents, especially those of low-and-moderate income. Prior to final selection of projects, other factors such as track record and experience will need to be considered.

Minimum Grant Level

A minimum grant level of \$10,000 for CDBG and \$25,000 for HOME has been established for the purpose of ensuring the most efficient use of these funds. Priority shall be given to grant requests that exceed \$10,000, subject to staffing and administrative capabilities. Grant requests less than \$5,000 will be considered at the discretion of the City Council.

Project and Program Funding *

Projects and Programs having other funding sources, in addition to funds requested through CDBG will be given priority. CDBG funding is intended to supplement a project or a program and not be its full funding source. Federal funding varies from year to year as do the needs of the community. It is therefore

**Objectives and Policies
CDBG & HOME Programs (Continued)**

important for a project or proposal to sustain itself should CDBG funding not be available. Such an approach will also provide for the maximum leveraging and impact of CDBG monies.

** These activities pertain to the CDBG Program only.*



APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>R</i>
CITY MANAGER	<i>D</i>

Report to City Council

TO: Mayor and City Council

FROM: Rick Teichert, Chief Financial Officer/City Treasurer

AGENDA DATE: December 9, 2014

TITLE: PUBLIC HEARING TO ADOPT SUBSTANTIAL AMENDMENT #2 TO THE 2014-15 ANNUAL ACTION PLAN AFFECTING THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Conduct a Public Hearing to allow public comment on the proposed Substantial Amendment for CDBG.
2. Review and adopt the proposed Substantial Amendment to the FY 2014/15 Annual Action Plan.
3. Approve the necessary Revenue and Expense Appropriations and authorize the Chief Financial Officer/City Treasurer to process the adjustments.
4. Authorize the City Manager to reallocate grant funds between HUD-approved grant activities and to execute the necessary agreements for approved grant activities.

SUMMARY

This report asks the City Council to conduct a Public Hearing and consider staff recommendations to approve an amendment to the 2014/15 Annual Action Plan that would reallocate monies away from inactive projects or completed projects in order to better meet upcoming CDBG expenditure deadlines.

DISCUSSION

As a recipient of federal grant funding, the City of Moreno Valley is mandated to complete a five-year Consolidated Plan and an Annual Action Plan update that details the use of its grant funds. In cases where a Plan needs to be updated because an activity is added, removed, or experiencing a 20% change in scope or budget, cities must notify its citizens of the proposed changes and provide them the opportunity to comment. A Public Hearing must also be held before the amendment is forwarded to the Department of Housing and Urban Development (HUD) for review and final approval.

On May 6, 2014, the Moreno Valley City Council approved the FY 2014/15 Annual Action Plan and within it awarded allocations to thirty-one (31) CDBG projects and three (3) HOME projects and no ESG activities as a proposed program was still under development. On August 26, 2014, the Council approved the 1st amendment to the 2014-15 Action Plan adding the ESG program and increasing the budget to one HOME activity. This report proposes a four-part substantial amendment to the CDBG program:

- 1) An adjustment to the scope and budget for already approved 2014/15 Elsworth & Sherman Ave. Sidewalk Project from a 'design and construction' project to solely 'design' and consequently adjusting the budget down from \$400,000 to \$170,000. The construction phase of this project may be requested for funding through future CDBG funding.

The current budget reduction of \$230,000 will be redirected to the Edgemont Improvement Program which focuses on efforts to rehabilitate the disadvantaged neighborhood known as 'Edgemont.' The City is determined to help solve the issues Edgemont is experiencing with its declining water infrastructure. Last fiscal year a small amount of funding was used toward educational, community meetings, and in what remains of this fiscal year, the City plans to fund a series of technical studies.

- 2) At the request of CASA of Riverside County, cancel their award of \$10,000 as their program has been discontinued, then reallocate the \$10,000 to augment the Employment Resource Center (ERC) public service activity.
- 3) Modify the already approved 'ADA Ramp Improvements Project at Various Intersections, Cycle 5' to allocate an additional \$40,000 into the 'Design Phase' budget to fund the design of 8 additional ramps. An increase to the design budget is being requested because of the necessary design changes to the original scope of work due to right-of-way constraints and unforeseen design issues encountered early in the design phase, as well as staff project management time.
- 4) Direct CDBG savings realized from the Hemlock and Graham Street Improvement Project totaling \$198,000 to act as matching funds for the Cycle 3 Pedestrian Access Ramp Project which will reconstruct 29 access ramps to meet

current ADA standards. Construction for this project is to be completed by fiscal year end (June 2015).

ALTERNATIVES

1. Adopt Substantial Amendment to the FY 14/15 Annual Action Plan; approve the Revenue and Expense Appropriations and authorize the Chief Financial Officer/City Treasurer to process the adjustments; and authorize the City Manager to reallocate grant funds between HUD-approved grant activities and to execute the necessary agreements for approved grant activities. **Staff recommends this action because it complies with HUD's substantial amendment requirements, adheres to the mandatory administrative caps, and would allow for the City to better meet the required expenditure goals for the CDBG program.**

2. **DO NOT** Adopt Substantial Amendment to the FY 14/15 Annual Action Plan; approve the Revenue and Expense Appropriations and authorize the Chief Financial Officer/City Treasurer to process the adjustments; and authorize the City Manager to reallocate grant funds between HUD-approved grant activities and to execute the necessary agreements for approved grant activities. **Staff does not recommend this action because it prevents the City from complying with HUD's substantial amendment requirements and meeting the required expenditure goals for the CDBG program.**

FISCAL IMPACT

The recommended actions to the CDBG program pose **NO FISCAL IMPACT TO THE GENERAL FUND**. The proposed CDBG project will be funded with already established budgets and past year savings. There are no match requirements for CDBG. The Revenue/Expenditure Appropriations and Budget Adjustments are expected to be as follows:

CDBG Budget and Revenue/Expenditure Appropriations – Public Services

Description	GL Account/GR Project Account	FY 14/15	Proposed Adjustments	FYs 14/15 Amended Budgets
CASA	2512-30-33-72611-730102/GR CDBG PUB SVCS CASA	\$10,000	(\$10,000)	\$0
Employment Resource Center (ERC) Public Service	2512-30-33-72611-730102/GR CDBG PUB SVCS ERC	\$15,281	\$10,000	\$25,281

CDBG Budget and Revenue/Expenditure Appropriations – Public Facilities

Description	GL Account/ Project Account	FY 14/15	Proposed Adjustments	FYs 14/15 Amended Budgets
Annual ADA Improvements at Various Parks	2512-50-57-80007-720199/807 0005 50 57 - Annual ADA Improvements	0	0	0
Alessandro Blvd. Street Improvement Project ADA	2512-70-77-80001-720199/801 0039 70 77 - Alessandro Blvd Median/Indian St to Perris Blvd	242,612	0	42,612
ADA Ramps at Various Intersections, Cycle 5	2512-70-77-80001-720199/801 0058 - Cycle 5 ADA Ramp Improvements at Various Intersections	Design - 73,275 Construction – 260,000	40,000 0	113,275 260,000
Elsworth St. & Sherman Ave. Sidewalks – Design & Construction	2512-70-77-80001-720199/801 0059 - Elsworth St and Sherman Ave SW/Alessandro Blvd to Day St	400,000	(230,000)	170,000
JFK Drive Improvements - Design	2512-70-77-80001-720199/801 0060 - JFK Drive Imprv/Heacock St to Paige Ave	100,000	0	100,000
Graham/Hemlock Intersection Improvements	2512-70-77-80001-720199/801 7002 70 77 - Hemlock/Graham to David & Graham/Hemlock to David	218,455	(198,000)	20,455
Pedestrian Access Ramps, Cycle 3	2512-70-77-80001-720199/NEW	0	198,000	198,000
Sunnymead Blvd. (Indian/SR60)	2512-70-77-80001-720199/804 0006 70 77 - E Sunnymead Blvd SD/Indian St - SR-60/Perris Off Ramp	754,824	0	754,824
Sunnymead Master Drainage - Design	2512-70-77-80004-720199/ 804 0008 - Sunnymead Master Drainage Plan - Storm Drain Lines F and F-7	650,000	0	650,000
Edgemont Improvement Program	2512-30-33-72611-740102/GR CDBG EDGMT PRJ EDGMT IMP	246,701	230,000	476,701

CITY COUNCIL GOALS

Approval of this proposed action would support the following Council goals:

POSITIVE ENVIRONMENT

Create a positive environment for the development of Moreno Valley's future.

COMMUNITY, IMAGE, NEIGHBORHOOD PRIDE & CLEANLINESS

Promote a sense of community pride and foster an excellent image about our City by developing and executing programs which will result in quality development, enhanced neighborhood preservation efforts, including home rehabilitation and neighborhood restoration.

REVENUE DIVERSIFICATION AND PRESERVATION. Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

PUBLIC SAFETY

Activities will directly or indirectly help to provide a secure environment for individuals in the community.

NOTIFICATION

Notice of this meeting and announcement of Public Comment Period was originally posted via the City Clerk’s office to various City satellite offices and published in the Press-Enterprise newspaper on November 6, 2014. The official 30-day public review period occurred from November 5, 2014 through December 9, 2014. A correction Notice was published on Nov. 22, 2014. Respondents were given the opportunity to provide comments via email, telephone, and walk-in.

ATTACHMENTS

- 1. CDBG Substantial Amendment
- 2. Copy of Original and Corrected Notice of Public Comment

Prepared By:
Isa Rojas
Management Analyst

Department Head Approval:
Rick Teichert
City Financial Officer/City Treasurer

Concurred By:
Marshall Eyerman
Financial Resources Division Manager

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**CITY OF MORENO VALLEY
FY 2014/15 ANNUAL ACTION PLAN
AMENDMENT NO. 2 AFFECTING CDBG**

The Annual Action Plan addresses the City’s plan for use of CDBG and HOME funds during Fiscal Year 2014/15. The plan is based upon the 5-year, 2013-2018 Consolidated Plan and facilitates the strategies outlined in the (Consolidated) Plan by addressing community needs through various mechanisms.

This amendment to the FY 2014/15 Action Plan requires citizen participation (including public hearing, public notice and 30-day review period) because the issue is considered a “substantial amendment.” A more detailed description of the proposed substantial amendment was made available for public review from November 5, 2014 through December 9, 2014. A public hearing was conducted on December 9, 2014 Moreno Valley City Council Meeting at 6:00 p.m.

The ‘Substantial Amendment’ includes the following changes to CDBG:

- 1) Adjust the scope and budget for already approved 2014/15 Elsworth & Sherman Ave. Sidewalk Project from a ‘design and construction’ project to solely ‘design’ and consequently adjust budget down from \$400,000 to \$170,000. The construction phase of this project may be requested for funding through future CDBG funding. The current budget reduction of \$230,000 will be redirected to the Edgemont Improvement Program.
- 2) At the request of CASA of Riverside County, cancel their award of \$10,000 as their program has been discontinued, and reallocate the full \$10,000 to augment the Employment Resource Center (ERC) – Operations (public service activity).
- 3) The already approved ‘ADA Ramp Improvements Project at Various Intersections, Cycle 5’ will allocate an additional \$40,000 to its Design phase budget in order to design 8 additional ramps.
- 4) Direct CDBG savings realized from the Hemlock and Graham Street Improvement Project totaling \$198,000 to act as matching funds for the Cycle 3 Pedestrian Access Ramp Project which will reconstruct 29 access ramps to meet current ADA standards. Construction for this project is to be completed by fiscal year end (June 2015).

Approved by: _____
City Manager

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**CITY OF MORENO VALLEY
NOTICE OF PUBLIC COMMENT PERIOD**

PROPOSED AMENDMENT TO FY 2014-15 ACTION PLAN

As a recipient of federal grant funding, the City of Moreno Valley is mandated to complete a five-year Consolidated Plan and an Annual Action Plan that details the use of its grant funds. In cases where there are changes to an approved Plan, cities must notify their citizens of the proposed change and provide them the opportunity to comment. A Public Hearing must also be held prior to the 'Substantial Amendment' being forwarded to the Department of Housing and Urban Development (HUD) for review and final approval.

The 'Substantial Amendment' proposes the following changes:

- 1) Adjust the scope and budget for already approved 2014/15 Elsworth & Sherman Ave. Sidewalk Project from a 'design and construction' project to solely 'design' and consequently adjust budget down from \$400,000 to \$170,000. The construction phase of this project may be requested for funding through future CDBG funding. The current budget reduction of \$230,000 will be redirected to the Edgemont Improvement Program.
- 2) At the request of CASA of Riverside County, cancel their award of \$10,000 as their program has been discontinued, and reallocate the full \$10,000 to augment the Employment Resource Center (ERC) – Operations (public service activity).
- 3) The already approved 'ADA Ramp Improvements Project at Various Intersections, Cycle 5' will re-allocate \$30,000 from its Design phase budget of into its Construction phase budget.
- 4) Direct CDBG savings realized from the Hemlock and Graham Street Improvement Project totaling \$198,000 to act as matching funds for the Cycle 3 Pedestrian Access Ramp Project which will reconstruct 29 access ramps to meet current ADA standards. Construction for this project is to be completed by fiscal year end (June 2015).

Anyone interested in providing comments or obtaining additional information may do so by contacting the City of Moreno Valley's Financial Resources Division within the Financial and Management Services Department, at 14177 Frederick Street, Moreno Valley, CA, 951.413.3450, np@moval.org. The proposed Amendment will be made available for public review from November 5, 2014 through December 9, 2014. Comments must be received no later than 5:00 pm on December 5, 2014 but will also be accepted at the Public Hearing to be held on Tuesday, December 9, 2014 at 6:00 p.m. at the City Council Chambers, Moreno Valley City Hall, 14177 Frederick Street, Moreno Valley, CA.

CITY OF MORENO VALLEY
NOTICE OF PUBLIC COMMENT PERIOD

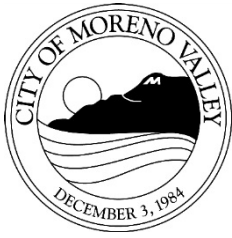
CORRECTION TO NOTICE PUBLISHED ON NOV. 6, 2014
REGARDING PROPOSED AMENDMENT TO FY 2014-15 ACTION PLAN

As a recipient of federal grant funding, the City of Moreno Valley is mandated to complete a five-year Consolidated Plan and an Annual Action Plan that details the use of its grant funds. In cases where there are changes to an approved Plan, cities must notify their citizens of the proposed change and provide them the opportunity to comment. A Public Hearing must also be held prior to the 'Substantial Amendment' being forwarded to the Department of Housing and Urban Development (HUD) for review and final approval.

The 'Substantial Amendment' proposes the following changes **with a correction being made to Item 3:**

- 5) Adjust the scope and budget for already approved 2014/15 Elsworth & Sherman Ave. Sidewalk Project from a 'design and construction' project to solely 'design' and consequently adjust budget down from \$400,000 to \$170,000. The construction phase of this project may be requested for funding through future CDBG funding. The current budget reduction of \$230,000 will be redirected to the Edgemont Improvement Program.
- 6) At the request of CASA of Riverside County, cancel their award of \$10,000 as their program has been discontinued, and reallocate the full \$10,000 to augment the Employment Resource Center (ERC) – Operations (public service activity).
- 7) **ORIGINALLY the notice indicated a transfer was needed from the 'ADA Ramp Improvements Project at Various Intersections, Cycle 5' Design budget to its Construction phase budget; this should have read that an additional \$40,000 will be allocated to the 'Design Phase' budget to fund the design of 8 additional ADA ramps.**
- 8) Direct CDBG savings realized from the Hemlock and Graham Street Improvement Project totaling \$198,000 to act as matching funds for the Cycle 3 Pedestrian Access Ramp Project which will reconstruct 29 access ramps to meet current ADA standards. Construction for this project is to be completed by fiscal year end (June 2015).

Anyone interested in providing comments or obtaining additional information may do so by contacting the City of Moreno Valley's Financial Resources Division within the Financial and Management Services Department, at 14177 Frederick Street, Moreno Valley, CA, 951.413.3450, np@moval.org. **The proposed Amendment will be made available for an extended period public review from November 5, 2014 through December 9, 2014.** Comments must be received no later than 5:00 pm on December 9, 2014 but will also be accepted at the Public Hearing to be held on Tuesday, December 9, 2014 at 6:00 p.m. at the City Council Chambers, Moreno Valley City Hall, 14177 Frederick Street, Moreno Valley, CA.



APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>d</i>

Report to City Council

TO: Mayor and City Council

FROM: John C. Terell, Community and Economic Development Director

AGENDA DATE: December 9, 2014

TITLE: A PUBLIC HEARING FOR THE PROLOGIS EUCALYPTUS INDUSTRIAL PARK PROJECT AND RELATED ENVIRONMENTAL IMPACT REPORT. THE PROJECT PROPOSES A GENERAL PLAN AMENDMENT FOR APPROXIMATELY 33 ACRES AND A ZONE CHANGE FOR APPROXIMATELY 84 ACRES. THE LAND USE CHANGES ARE REQUIRED FOR DEVELOPMENT OF FOUR WAREHOUSE DISTRIBUTION BUILDINGS TOTALING 1,529,498 SQUARE FEET. THE DEVELOPER ALSO PROPOSES TENTATIVE PARCEL MAP NO. 35679 TO SUBDIVIDE THE PROJECT SITE INTO FIVE PARCELS. A GENERAL PLAN AMENDMENT IS ALSO REQUIRED FOR PROPOSED CHANGES TO THE CITY'S GENERAL PLAN CIRCULATION ELEMENT AND THE MASTER PLAN OF TRAILS. THE SITE IS LOCATED SOUTH OF STATE ROUTE 60 AND EAST OF THE MORENO VALLEY AUTO MALL, AT FIR AVENUE (FUTURE EUCALYPTUS AVENUE) AND BETWEEN PETTIT STREET AND THE QUINCY CHANNEL. THE APPLICANT IS PROLOGIS

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Continue this item to the City Council meeting of January 27, 2015.

SUMMARY

In a letter dated December 2, 2014, the applicant requested a continuance of this public hearing to the January 27, 2015 City Council meeting to provide the City Council, particularly the newly elected City Council members, ample time to review the

voluminous staff report and related documents for the project. The applicant's letter is attached to this staff report.

DISCUSSION

The Prologis Eucalyptus Industrial Park project is an industrial warehouse development in the eastern portion of the City immediately adjacent to the south side of State Route 60 and east of Moreno Beach Drive. The project includes multiple applications including a General Plan Amendment, Zone Change, Plot Plans, Tentative Tract Map and a supporting environmental impact report.

The project has been under consideration since September 2007. Between September 2007 and October 2012 the project was processed through multiple City plan reviews, which involved various iterations and refinements to the scope, size, conditions and mitigation measures for the project. In 2012 public outreach efforts were conducted by the project applicant. These efforts included distribution of project brochures, neighborhood walks and a community open house. Also in summer of 2012 the Draft Environmental Impact Report (DEIR) for the project was completed and circulated for the requisite public review. Between late 2012 and early 2014 the Final Environmental Impact Report (FEIR) was assembled for public hearings and discretionary actions through the City Planning Commission and City Council. Planning Commission hearings were held in March and April 2014. On April 24, 2014 the Planning Commission on a 4-3 vote took action to recommend approval of the various project applications and certification of the FEIR by the City Council. Since that time, City Council hearings on the project have been held on June 24th, July 8th, and August 26th 2014. At the City Council meeting of August 26th the City Council, at the request of the applicant, took action to continue the public hearing to October 14, 2014. A public hearing was scheduled and noticed for this item on October 14, 2014 to discuss a reduced intensity alternative developed by the applicant for the project. At the City Council meeting on October 14, 2014, the City Council voted to continue the item to December 9, 2014.

On November 4, 2014 a general election was held including consideration of various seats on the City of Moreno Valley City Council. As a result of the election three new members of the City Council will be seated at the December 9th City Council meeting. As stated in the attached letter dated December 2, 2014, from the Prologis Eucalyptus Industrial Park Project applicant, a continuance of the December 9th public hearing to the January 27, 2015 City Council meeting has been requested. The continuance is requested to provide the City Council, particularly the newly elected City Council members, ample time to review the staff report and related documents for the project so that they are in an informed position to take action on the items.

Copies of the previous City Council staff reports, the project EIR and plans are available at the City's website at the following link: http://www.moval.org/city_council/agendas-sire.shtml

ALTERNATIVES

Not applicable.

FISCAL IMPACT

Not applicable.

CITY COUNCIL GOALS

Not applicable.

NOTIFICATION

Public noticing for the October 14, 2014 City Council hearing was conducted. As that public hearing was continued by the City Council to a date specific, December 9, 2014 meeting, no further public noticing was required.

ATTACHMENTS

1. Continuance request letter

Prepared By:
Jeff Bradshaw
Associate Planner

Department Head Approval:
John C. Terell, AICP
Community & Economic Development Director

Concurred By:
Richard J. Sandzimier
Planning Official

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December 2, 2014

Sent by Email: Jeff Bradshaw jeffb@moval.org

Mr. Jeffery Bradshaw
City of Moreno Valley
14177 Fredrick Street
Moreno Valley, CA 92552

Dear Mr. Bradshaw;

Prologis is on the agenda for December 9, 2014 for the Prologis Eucalyptus Industrial Park Case No. PA07-0081, 0082, 0083, 0084, 0158, 0159, 0160, 0161 and 0162 that was delayed from the October 14, 2014 meeting due to only three council members being present at that meeting. Prologis would like to request a continuance of the above referenced project until January 27, 2015 which is the next regularly scheduled City Council meeting. As an applicant, we would request that our project is voted on the same night that it is presented and we would like to request the continuance in order to provide the incoming newly elected members of the City Council adequate time to review our proposed project and all of the relevant information from Planning Commission, prior City Council meetings and the Modified Plan that we will be presenting. Hopefully this continuance will allow our project to be presented to an informed City Council who will have had sufficient time to review the project and vote on the same day that it is presented without any additional extensions or delays. Additionally, the recount in District 2 is still pending and may not be resolved until the end of this week leaving minimal time to review the project. Due to the above factors, we respectfully request a continuance until the next regular City Council meeting of January 27, 2015.

Best regards,

Tyson Chave
First Vice President
Prologis

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ITEM E.3 - A PUBLIC HEARING FOR THE PROLOGIS EUCALYPTUS INDUSTRIAL PARK PROJECT AND RELATED ENVIRONMENTAL IMPACT REPORT. THE PROJECT PROPOSES A GENERAL PLAN AMENDMENT FOR APPROXIMATELY 33 ACRES AND A ZONE CHANGE FOR APPROXIMATELY 84 ACRES. THE LAND USE CHANGES ARE REQUIRED FOR DEVELOPMENT OF FOUR WAREHOUSE DISTRIBUTION BUILDINGS TOTALING 1,529,498 SQUARE FEET. THE DEVELOPER ALSO PROPOSES TENTATIVE PARCEL MAP NO. 35679 TO SUBDIVIDE THE PROJECT SITE INTO FIVE PARCELS. A GENERAL PLAN AMENDMENT IS ALSO REQUIRED FOR PROPOSED CHANGES TO THE CITY'S GENERAL PLAN CIRCULATION ELEMENT AND THE MASTER PLAN OF TRAILS. THE SITE IS LOCATED SOUTH OF STATE ROUTE 60 AND EAST OF THE MORENO VALLEY AUTO MALL, AT FIR AVENUE (FUTURE EUCALYPTUS AVENUE) AND BETWEEN PETTIT STREET AND THE QUINCY CHANNEL. THE APPLICANT IS PROLOGIS. (CONTINUED FROM OCTOBER 14, 2014)

(Report of: Community & Economic Development Department)

TO VIEW THE ATTACHMENTS 1 – 31:

PLEASE PLACE THE FOLLOWING LINK IN YOUR ADDRESS BROWSER

<http://www.moval.org/prologis/>

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>R</i>
CITY MANAGER	<i>D</i>

Report to City Council

TO: Mayor and City Council

FROM: Richard Teichert, Chief Financial Officer

AGENDA DATE: December 9, 2014

TITLE: PUBLIC MEETING REGARDING THE NPDES MAIL BALLOT PROCEEDINGS TO APPROVE THE MAXIMUM RESIDENTIAL REGULATORY RATE FOR CV COMMUNITIES AND THE MAXIMUM COMMERCIAL REGULATORY RATE FOR PSIP INTEGRA MORENO VALLEY, LLC AND WOODHAVEN DEVELOPERS, INC. DEVELOPMENTS

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Accept public comments regarding the mail ballot proceedings for: 1) APNs 478-090-007, 478-090-036, 478-100-009, 478-100-010, and 478-100-034 for approval of the NPDES maximum residential regulatory rate to be applied to the property tax bill; 2) APNs 297-140-037, 297-140-038, 297-140-039, 297-140-040, 297-140-041, and 297-140-042 for approval of the NPDES maximum commercial regulatory rate to be applied to the property tax bill; and 3) APN 292-100-010 for approval of the NPDES maximum commercial regulatory rate to be applied to the property tax bill.

SUMMARY

The item before the City Council is to accept public comments regarding the mail ballot proceedings for the City's NPDES program. This is the first step in including 12 parcels (and any subdivision thereof) into the City's annual property tax levy process. The mail ballot proceedings only affect 3 property owners, not the general citizens or taxpayers of the City. The public meeting is intended to publicly discuss the action for transparency prior to conducting the election of the affected property owners at a subsequent meeting. Allowing for public comment during a regularly scheduled City Council meeting is required by state law and satisfies Proposition 218 state statutes.

CV Communities, PSIP Integra Moreno Valley, LLC, and Woodhaven Developers, Inc. have elected to satisfy conditions of approval for each of its development projects by authorizing the annual rate for the National Pollutant Discharge Elimination System (NPDES) to be collected on its Riverside County property tax bill. Locations of the parcels subject to the conditions of approval are depicted in the table in the following section. The NPDES rates collected from property owners support the current NPDES Permit activities and reduce the level of General Fund support necessary to remain in compliance with unfunded federal mandates (administered by the State) for the NPDES program. Funds collected from the NPDES rates are restricted for use only within the Storm Water Management program.

Mail ballot proceedings are being conducted in compliance with Proposition 218, which requires that any new or proposed increase in property-related assessments, fees, or charges be submitted to the affected property owners for approval. The property owners being balloted are given two opportunities to address the City Council. These two opportunities are the December 9th Public Meeting and the scheduled January 13th Public Hearing. The ballots are due to be returned prior to close of the January 13th Public Hearing after which the results of the ballot proceedings can be announced.

DISCUSSION

New development projects are subject to the current NPDES Permit requirements for storm water management as mandated by the Federal Clean Water Act. Public agencies are required to obtain NPDES Permits to discharge urban storm water runoff from municipally owned drainage facilities, including streets, highways, storm drains, and flood control channels. To comply with the 1972 Federal Clean Water Act, Land Development, a division of the Public Works Department, conditions new development projects to participate in either the NPDES residential or commercial regulatory rate to fund federally mandated programs. The City Council adopted the residential regulatory rate on June 10, 2003, and the commercial regulatory rate on January 10, 2006.

With funding support provided by the NPDES commercial rate, the City inspects site design, source and treatment control Best Management Practices, monitors maintenance records for those on-site facilities, and performs annual inspections of the affected areas to ensure compliance with federally mandated NPDES Permit requirements which are administered by the State. The City also monitors residential developments by providing the necessary services for the continuous operation, enhancement, and maintenance of the storm water discharge system, and performs inspections of the affected areas to ensure compliance with federally mandated NPDES Permit requirements with funding provided by the NPDES residential rate. In accordance with City Ordinance No. 656 and No. 708, the NPDES rates can be collected with the rates for a publicly owned utility (Moreno Valley Electric Utility customers only), by direct billing, or collected on the annual property tax bill. For consistency with administering the collection of the NPDES rates, at this time the current policy is to collect the NPDES rates on the annual Riverside County property tax bills.

The development projects of CV Communities, PSIP Integra Moreno Valley, LLC, and Woodhaven Developers, Inc. (the “Property Owners”) each have been conditioned to provide a funding source to support the NPDES program. The Assessor’s Parcel Number and location of each development is depicted in the table below. The Property Owners have two options to satisfy their conditions of approval: 1) approve the NPDES rate to be collected on the Riverside County property tax bill or 2) fund an endowment that will be used to fund the parcel(s) annual requirement.

Property Owner	APN	Location	Maximum Rate
CV Communities	478-090-007, 478-090-036, 478-100-009, 478-100-010, and 478-100-034	both sides of the Quincy Channel between Brodiaea Ave. and Cactus Ave.	Residential \$300.14/parcel
PSIP Integra Moreno Valley, LLC	297-140-037, 297-140-038, 297-140-039, 297-140-040, 297-140-041, and 297-140-042	south side of Newhope St. between Elsworth St. and Veterans Way	Commercial \$226.01/parcel
Woodhaven Developers, Inc.	292-100-010	west side of Heacock St. south of Sunnymead Blvd.	Commercial \$226.01/parcel

The Property Owners have elected to satisfy their conditions of approval by authorizing the annual NPDES rate to be collected on the Riverside County property tax bill. Before the NPDES rate can be levied on the property tax bill, the property owner must approve the rate through the mail ballot proceeding process. A mail ballot proceeding is a legally required process to approve new charges or increases to existing charges. A notice explaining what the proposed charge is for and how the charge will be determined annually was mailed to the property owner along with a ballot for casting their vote. The law states that property owners must be provided 45 days to review the notice and two opportunities to address the legislative body (City Council). These two opportunities are the December 9th Public Meeting and the scheduled January 13th Public Hearing. The results of the mail ballot proceedings can be announced after the close of the Public Hearing.

Approval of the NPDES rate fulfills the conditions of approval for each development project by authorizing the City to annually levy the NPDES maximum residential regulatory rate to APNs 478-090-007, 478-090-036, 478-100-009, 478-100-010, and 478-100-034 and the NPDES maximum commercial regulatory rate to APNs 297-140-037, 297-140-038, 297-140-039, 297-140-040, 297-140-041, 297-140-042, and 292-100-010 on the Riverside County property tax bill.

ALTERNATIVES

1. **Accept public comments** for the mail ballot proceedings for approval to collect the NPDES maximum regulatory rates on the property tax bills for the APNs discussed within this report. *By accepting public comments, the City complies with Proposition 218 state statutes for providing public comment.*
2. **Do not accept public comments** for the mail ballot proceedings for approval of the NPDES maximum regulatory rates. *This alternative would prohibit the Property Owners from satisfying their conditions of approval*

utilizing this funding mechanism at this time and may delay the development of these projects. This alternative is also contrary to state statutes and would require the noticing period for the mail ballot proceedings to start over and cause additional costs to be incurred for re-noticing.

3. **Do not accept public comments** for the mail ballot proceedings for approval of the NPDES maximum regulatory rates at this time but reschedule them to a date certain, at a regular City Council meeting. *This alternative requires the 45-day noticing period to start over and cause additional costs to be incurred for re-noticing. Rescheduling the public meeting may also delay the development of the projects being balloted.*

FISCAL IMPACT

For fiscal year (FY) 2014/15, the NPDES maximum annual regulatory rate for residential properties is \$300.14 per parcel and the NPDES maximum annual regulatory rate for commercial properties is \$226.01 per parcel. If approved, the NPDES rates will be applied to the property tax bills for only those properties wherein the property owners have approved the NPDES rate and have authorized the City to do so. Beginning FY 2015/16, the maximum regulatory rates will be subject to an annual adjustment based on the percentage change calculated for the previous year in the Los Angeles-Riverside-Orange County Regional Consumer Price Index ("CPI") for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics, which must be reviewed and approved by the City Council each year prior to the annual levy. The maximum rates cannot be increased beyond the annual CPI adjustment without approval of the property owners that are subject to the charge.

The NPDES rates support the current NPDES Permit programs and reduce the level of General Fund support necessary to remain in compliance with unfunded federal mandates, as administered by the State. **Funds collected from the NPDES rates are restricted for use only within the Storm Water Management program.**

CITY COUNCIL GOALS

Advocacy

Management of the storm water will ensure that water pollutants are discharged in compliance with federal mandates and City policies.

Revenue Diversification and Preservation

The NPDES maximum regulatory rates provide funding for program costs, which include maintenance and administration.

NOTIFICATION

The Property Owners were provided the required 45-day noticing period to review the ballot documents. The documents included a notice to the property owner, map of the project area, NPDES ballot, instructions for marking and returning the ballot, and a

postage-paid envelope to return the ballot to the City Clerk (Attachments 1-3).

Newspaper advertising for the December 9, 2014 Public Meeting and January 13, 2015 Public Hearing was published in The Press-Enterprise on November 20, 2014. Additionally, the Public Hearing notification will be published on December 26, 2014 and again on January 2, 2015.

ATTACHMENTS

1. Mail Ballot Packet for CV Communities (APNs 478-090-007, 478-090-036, 478-100-009, 478-100-010, and 478-100-034)
2. Mail Ballot Packet for PSIP Integra Moreno Valley, LLC (APNs 297-140-037, 297-140-038, 297-140-039, 297-140-040, 297-140-041, and 297-140-042)
3. Mail Ballot Packet for Woodhaven Developers, Inc. (APN 292-100-010)
4. Process Flow for Property Owners/Developers Joining the NPDES Annual Parcel Charge Levy Process

Prepared by:
Jennifer Terry,
Management Analyst

Department Head Approval:
Richard Teichert,
Chief Financial Officer

Concurred by:
Candace E. Cassel,
Special Districts Division Manager

Concurred by:
Mark W. Sambito, P.E.,
Engineering Division Manager

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14331 FREDERICK STREET, SUITE 2
 P. O. BOX 88005
 MORENO VALLEY, CA 92552-0805

CV Communities
 c/o City Ventures Homebuilding LLC
 1900 Quail St
 Newport Beach, CA 92660

November 5, 2014

NOTICE TO PROPERTY OWNER-MAIL BALLOT PROCEEDING FOR THE NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) MAXIMUM RESIDENTIAL REGULATORY RATE FOR APNs 478-090-007, 478-090-036, 478-100-009, 478-100-010, and 478-100-034

***** OFFICIAL BALLOT ENCLOSED *****

Introduction

In November of 1996, California voters passed Proposition 218 (“The Right to Vote on Taxes Act”). As a result, any new or proposed increase in a property-related charge requires approval of the charge by the property owner of record. In compliance with Proposition 218 legislation, the City of Moreno Valley Special Districts Division is conducting a mail ballot proceeding to provide the owner of Assessor’s Parcel Numbers (APNs) 478-090-007, 478-090-036, 478-100-009, 478-100-010, and 478-100-034 the opportunity to express support for or opposition to the approval of the NPDES Maximum Residential Regulatory Rate and services. Approval of the NPDES Maximum Residential Regulatory Rate through a mail ballot proceeding will fulfill the Conditions of Approval to provide a funding source for the NPDES program.

Background

The current NPDES Permit, as administered by the State, regulates the volume and amount of pollutants in storm water runoff from all development types. The City provides the services necessary to meet mandates of the Federal Clean Water Act. NPDES Maximum Residential Regulatory Rate provides financial support for monitoring, maintaining, and if necessary, improving the storm water discharge system, and performing inspections of the affected areas to ensure compliance with federally mandated NPDES Permit requirements, as administered by the State.

Services Provided

In compliance with the Federal Clean Water Act, the City of Moreno Valley shall provide the necessary services for the continuous operation, enhancement, and maintenance of the storm water discharge system, and perform inspections of the affected areas to ensure compliance with federally mandated NPDES Permit requirements.

How is the Amount of the Charge Determined?

Each fiscal year (FY), the City of Moreno Valley shall determine the type of services necessary to comply with NPDES Permit requirements and levy the rate applicable for that service. The

rate levied shall not exceed the rate previously approved by the property owner.

Proposed Charge

For FY 2014/15, the NPDES Maximum Residential Regulatory Rate is \$300.14 per parcel. The total amount of the NPDES rates levied for FY 2014/15 for the program as a whole was \$439,115.06.

Annual Adjustment

Beginning in FY 2015/16, the NPDES Maximum Residential Regulatory Rate will be subject to an annual adjustment based on the percentage change calculated for the previous year in the Los Angeles-Riverside-Orange County Regional Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics.

Duration of the Charge

Upon approval of the NPDES Maximum Residential Regulatory Rate, the annual levy amount will be assessed to APNs 478-090-007, 478-090-036, 478-100-009, 478-100-010, and 478-100-034 (and any division thereof) and shall be placed on the Riverside County property tax bill or included as a monthly charge on a utility bill. The NPDES Maximum Residential Regulatory Rate will be levied each following year at the proposed rate, which includes an annual inflation adjustment.

Public Hearing

To provide information concerning this mail ballot proceeding the City has scheduled one (1) Public Meeting and one (1) Public Hearing, which will be held at the **Moreno Valley City Hall Council Chamber located at 14177 Frederick Street, Moreno Valley.**

<u>Public Meeting</u>	<u>Public Hearing</u>
Tuesday, December 9, 2014 6:00 P.M. (Or As Soon Thereafter As The Matter May Be Called)	Tuesday, January 13, 2015 6:00 P.M. (Or As Soon Thereafter As The Matter May Be Called)

Tabulation of returned ballots will commence after the close of the Public Hearing. All ballots received shall be tabulated under the direction of the City Clerk in compliance with the current Policy For Conducting Mail Ballot Proceedings Policy #1.12.

Effect if the Charge is Approved

Approval of the NPDES Maximum Residential Regulatory Rate will be confirmed if the ballot is marked in favor of the NPDES rate. Approving the NPDES Maximum Residential Regulatory Rate through a mail ballot proceeding will fulfill the Conditions of Approval to provide a funding source for the NPDES program.

Effect if the Charge is Not Approved

Not approving the NPDES Maximum Residential Regulatory Rate to meet federally mandated NPDES Permit requirements may result in noncompliance with the Conditions of Approval. If the returned ballot is marked opposing the NPDES rate, then the rate will not be levied on the property tax bill.

For More Information

If you have any questions about the proposed program, the annual rate, or about the mail ballot proceeding process, please contact Jennifer Terry, Management Analyst, Special Districts, a Division of the Financial and Management Services Department, Monday through Thursday from 7:30 a.m. to 5:30 p.m. and Friday from 7:30 a.m. to 4:30 p.m. at 951.413.3505 or via email at JenniferT@moval.org.

Completing Your Ballot

Please follow the instructions listed below to complete and return your ballot. Procedures for the completion, return, and tabulation of the ballot are also on file in the City Clerk's office.

1. Mark the enclosed ballot in support of or opposition to the proposed program and annual rate **by placing a mark in the corresponding box.**
2. Sign your name on the ballot. Ballots received without signature(s) will be considered invalid *and will not be counted.*
3. Mail or personally deliver your completed ballot in a sealed envelope to the City Clerk's office, 14177 Frederick Street, Moreno Valley, California, 92553. For your convenience, a postage-paid envelope has been included for return of the ballot.
4. Ballot(s) must be **received** by the City Clerk prior to the close of the Public Hearing to be held on **Tuesday, January 13, 2015**, at the Moreno Valley City Hall Council Chamber. The Public Hearing will be held at 6:00 p.m. or as soon thereafter as the matter may be called. Ballots received after the close of the Public Hearing cannot be legally counted.

Ballot Marks

Appropriate ballot markings include any one of the following for either the YES/Approved or NO/Not Approved blank box:



A check mark substantially inside a box;



An X mark substantially inside a box;



A dot or oval mark substantially inside a box;



A completely shaded or filled mark substantially inside a box;



A line, single or dashed, or combination of lines, through the box area. Lines may be any one of the following marks: horizontal, vertical, or diagonal. The mark may either run from side to side or corner to corner. All valid lines must be substantially within the box area and not marking any part of another blank box on the ballot;



A circle around the box and/or associated clause; or



A square or rectangle around the box and/or associated clause.

Balloting marks shall not extend past one box area into any portion of another nor surround the perimeter or any portion of more than one box area. Markings that extend past one box area into any portion of another or surround the perimeter or any portion of more than one box area shall be considered invalid and not counted.

Ballot Mark Revisions (Changes): An error or desire to revise (change) a selection made on the ballot may be completed and returned any time prior to the conclusion of public testimony at the Public Hearing. **The revision must be initialed by the record owner(s) of property. Initials must be clearly printed and placed at the right top corner of the revised selection.**

RESIDENTIAL NPDES RATE SCHEDULE
 Adopted by the City Council on June 10, 2003 (Level I, II, III, IV)
 Adopted by the City Council on June 10, 2008 (Level II-A)

LEVEL 1		LEVEL II		Level II-A		LEVEL III		LEVEL IV		
NPDES Administration (Not covered by CSA 152)	Water Quality Pond/Basin Maintenance	Sand Filter Maintenance	Water Quality Pond/Basin Remediation/Reconstruction	Water Quality System Retrofit	Proposed Parcel Rate	Per/Mon.	Per/Yr.	Proposed Parcel Rate	Per/Mon.	Per/Yr.
Costs associated with personnel, administration and management of the storm water management program. Administrative tasks include development and filing of various storm water reports and data collection and management.	Costs associated with the maintenance and monitoring of the water quality pond/basin. This includes, but is not limited to quarterly basis of maintenance on a quarterly basis of vegetative material, civil work and utility and personnel costs.	Costs associated with the maintenance and monitoring of the sand filter within a water quality pond/basin. This includes, but is not limited to maintenance of a sand bed, bleeder lines and costs for personnel.	Costs associated with the remediation and reconstruction of water quality pond/basin. Remediation and reconstruction may include the following: replacement of soil, plants, irrigation, removal and hauling of wastes and possible civil work.	Costs associated with the retrofitting, replacement, monitoring and maintenance of the water quality pond/basin systems and appurtenances. This may include retrofitting of catch basin insert filters, vortex devices, installation of in-line filter systems, and nutrient baskets, etc.	\$2.50	\$30.00	\$30.00	\$4.24	\$9.64	\$115.68
Level I is levied on all parcels conditioned for the NPDES Rate Schedule.	Level II, in addition to Level I is levied on all properties within tracts that have a water quality pond/basin or on properties that benefit from a neighboring water quality pond/basin.	Level II-A, in addition to Level II and Level I is levied on all properties within residential developments that have a water quality pond/basin with a sand filter or on properties that benefit from a neighboring water quality pond/basin with a sand filter.			\$2.50	\$30.00	\$4.24	\$9.64	\$115.68	

Each Service Level may be imposed on an as-needed basis and cumulative (if required)

Fiscal Year (FY) 2003/2004 - Base Year Calculation, subject to inflation factor based on the Los Angeles-Riverside-Orange County Regional Consumer Price Index

Inflation Factor Adjustments:

- 2004/2005 - 1.8% = (\$31.00, 58.00, 52.00 & 118.00)
- 2005/2006 - 4.4% = (\$32.00, 61.00, 54.00 & 123.00)
- 2006/2007 - 4.5% = (\$33.00, 64.00, 56.00, & 128.00)
- 2007/2008 - 3.1% = (\$34.00, 66.00, 58.00, & 132.00)
- 2008/2009 - 4.2% = (\$35.00, 69.00, \$31.00, \$60.00, \$138.00)
- 2009/2010 - no change = (\$35.00, \$69.00, \$31.00, \$60.00, \$138.00)
- 2010/2011 - no change = (\$35.00, \$69.00, \$31.00, \$60.00, \$138.00)
- 2011/2012 - 3.8% = (\$36.00, \$72.00, \$32.00, \$62.00, \$143.00)
- 2012/2013 - 2.7% = (\$37.00, \$74.00, \$33.00, \$64.00, \$147.00)
- 2013/2014 - 2.0% = (\$38.00, \$75.00, \$34.00, \$65.00, \$150.00) rounded to the nearest whole dollar
- 2014/2015 - 1.14% = (\$39.38, \$74.82, \$34.10, \$66.73, \$151.84) Pursuant to City Council approval on June 10, 2014.

**OFFICIAL MAIL BALLOT for
Assessor's Parcel Numbers (APNs) 478-090-007, 478-090-036,
478-100-009, 478-100-010, and 478-100-034**

**National Pollutant Discharge Elimination System (NPDES)
Maximum Residential Regulatory Rate**

YES* — as property owner of APNs 478-090-007, 478-090-036, 478-100-009, 478-100-010, and 478-100-034, **I approve** the NPDES Maximum Residential Regulatory Rate and services. For fiscal year (FY) 2014/15, the NPDES Maximum Residential Regulatory Rate is \$300.14 per parcel. Upon approval of the maximum regulatory rate, the annual levy amount shall be placed on the Riverside County property tax bill or included as a monthly charge on a utility bill. Beginning FY 2015/16, the maximum regulatory rate will be subject to an annual adjustment based on the percentage change calculated for the previous year in the Los Angeles-Riverside-Orange County Regional Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics. The City will provide storm water maintenance to residential neighborhoods for the continuous operation, systems evaluation/enhancement of the affected areas and the implementation of federally mandated NPDES requirements. Additionally, the rate schedule provides funds for monitoring, maintaining, and if necessary, for improving the storm water discharge system.

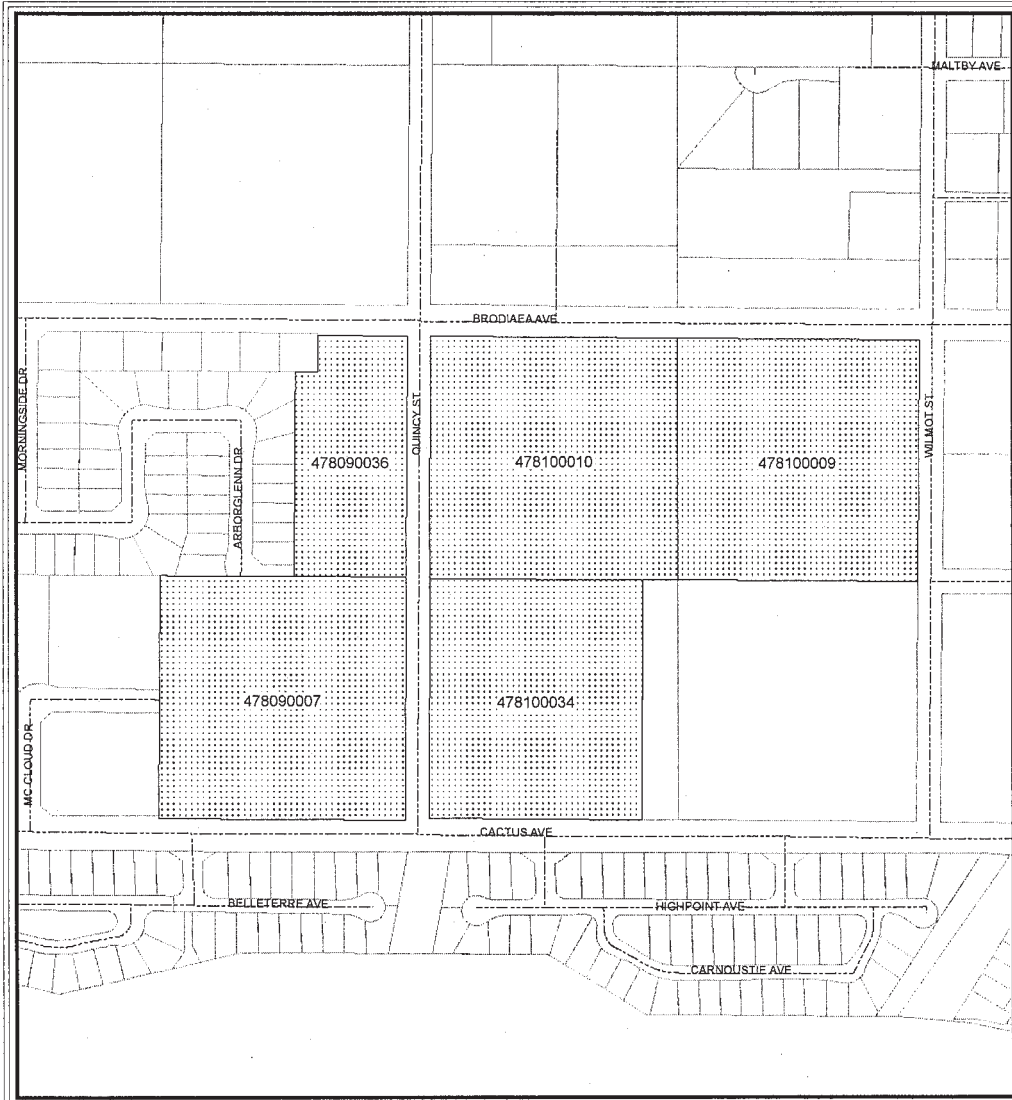
NO** — as property owner of APNs 478-090-007, 478-090-036, 478-100-009, 478-100-010, and 478-100-034, **I do not approve** the NPDES Maximum Residential Regulatory Rate and services. I understand that not approving the NPDES Maximum Residential Regulatory Rate to fund federally mandated NPDES Permit requirements may result in noncompliance with the project's Conditions of Approval. If the NPDES Maximum Residential Regulatory Rate is not approved the rate will not be levied on the Riverside County property tax bill.

Assessor's Parcel Numbers	YES*	NO**	NPDES Maximum Residential Regulatory Rate
478-090-007 (and any division thereof)	<input type="checkbox"/>	<input type="checkbox"/>	\$300.14
478-090-036 (and any division thereof)	<input type="checkbox"/>	<input type="checkbox"/>	\$300.14
478-100-009 (and any division thereof)	<input type="checkbox"/>	<input type="checkbox"/>	\$300.14
478-100-010 (and any division thereof)	<input type="checkbox"/>	<input type="checkbox"/>	\$300.14
478-100-034 (and any division thereof)	<input type="checkbox"/>	<input type="checkbox"/>	\$300.14









This ballot must be received by the City Clerk of the City of Moreno Valley prior to the close of the Public Hearing to be held on January 13, 2015, at the Moreno Valley City Hall Council Chamber, 14177 Frederick Street, Moreno Valley, California. The Public Hearing will be held at 6:00 p.m. or as soon thereafter as the matter may be called.

PROPERTY OWNER SIGNATURE _____ DATE _____

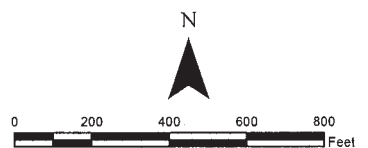
Please remember to mark the appropriate box, sign and date the ballot and return to the City Clerk's office in the enclosed envelope prior to the close of the January 13, 2015 Public Hearing



**Tentative Tract 36436
PA12-0005**

- APN**
-  478090007
 -  478090036
 -  478100009
 -  478100010
 -  478100034
 -  Roads
 -  Parcels
 -  City Boundary

Map reflects all changes indicated on Riverside County Assessor Maps as of October 28, 2014.



G:\V\PSDA\PA12-0005 TM 36436.mxd

The information shown on this map was compiled from the Riverside County GIS and the City of Moreno Valley GIS. The land base and facility information on this map is for display purposes only and should not be relied upon without independent verification as to its accuracy. Data and information on this map is subject to update and modification. Riverside County and City of Moreno Valley will not be held responsible for any claims, losses or damages resulting from the use of this map. This map is not to be recycled or resold.



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 P. O. BOX 88005
 MORENO VALLEY, CA 92552-0805

PSIP Integra Moreno Valley, LLC
 c/o/ Charles E. Crookall
 160 Newport Center Dr., Suite 250
 Newport Beach, CA 92660

November 5, 2014

NOTICE TO PROPERTY OWNER-MAIL BALLOT PROCEEDING FOR THE NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) MAXIMUM COMMERCIAL/INDUSTRIAL REGULATORY RATE FOR APNs 297-140-037, 297-140-038, 297-140-039, 297-140-040, 297-140-041, AND 297-140-042

******* OFFICIAL BALLOT ENCLOSED *******

Introduction

In November of 1996, California voters passed Proposition 218 (“The Right to Vote on Taxes Act”). As a result, any new or proposed increase in a property-related charge requires approval of the charge by the property owner of record. In compliance with Proposition 218 legislation, the City of Moreno Valley Special Districts Division is conducting a mail ballot proceeding to provide the owner of Assessor’s Parcel Numbers (APNs) 297-140-037, 297-140-038, 297-140-039, 297-140-040, 297-140-041, and 297-140-042 the opportunity to express support for or opposition to the approval of the NPDES Maximum Commercial/Industrial Regulatory Rate and services. Approval of the NPDES Maximum Commercial/Industrial Regulatory Rate through a mail ballot proceeding will fulfill the Conditions of Approval to provide a funding source for the NPDES program.

Background

The current NPDES Permit, as administered by the State, regulates the volume and amount of pollutants in stormwater runoff from all development types. The City provides the services necessary to meet mandates of the Federal Clean Water Act related to the NPDES permit. NPDES Maximum Commercial/Industrial Regulatory Rate provides financial support for inspecting site design, source and treatment control Best Management Practices, monitoring maintenance records for those on-site facilities, and performing annual inspections of the affected areas to ensure compliance with federally mandated NPDES Permit requirements, as administered by the State.

Services Provided

In compliance with the Federal Clean Water Act, the City of Moreno Valley shall annually inspect site design, source and treatment control Best Management Practices, verify monitoring and maintenance records for those on-site facilities, and perform annual inspections of the affected areas to ensure compliance with federally mandated NPDES Permit requirements.

How is the Amount of the Charge Determined?

Each fiscal year (FY), the City of Moreno Valley shall determine the type of services necessary to comply with NPDES Permit requirements and levy the rate applicable for that service. The rate levied shall not exceed the rate previously approved by the property owner.

Proposed Charge

For FY 2014/15, the NPDES Maximum Commercial/Industrial Regulatory Rate is \$226.01 per parcel. The total amount of the NPDES rates levied for FY 2014/15 for the program as a whole was \$439,115.06.

Annual Adjustment

Beginning in FY 2015/16, the NPDES Maximum Commercial/Industrial Regulatory Rate will be subject to an annual adjustment based on the percentage change calculated for the previous year in the Los Angeles-Riverside-Orange County Regional Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics.

Duration of the Charge

Upon approval of the NPDES Maximum Commercial/Industrial Regulatory Rate, the annual levy amount will be assessed to APNs 297-140-037, 297-140-038, 297-140-039, 297-140-040, 297-140-041, and 297-140-042 (and any division thereof) and shall be placed on the Riverside County property tax bill or included as a monthly charge on a utility bill. The NPDES Maximum Commercial/Industrial Regulatory Rate will be levied each following year at the proposed rate, which includes an annual inflation adjustment.

Public Hearing

To provide information concerning this mail ballot proceeding the City has scheduled one (1) Public Meeting and one (1) Public Hearing, which will be held at the **Moreno Valley City Hall Council Chamber located at 14177 Frederick Street, Moreno Valley.**

<u>Public Meeting</u>	<u>Public Hearing</u>
Tuesday, December 9, 2014 6:00 P.M. (Or As Soon Thereafter As The Matter May Be Called)	Tuesday, January 13, 2015 6:00 P.M. (Or As Soon Thereafter As The Matter May Be Called)

Tabulation of returned ballots will commence after the close of the Public Hearing. All ballots received shall be tabulated under the direction of the City Clerk in compliance with the current Policy For Conducting Mail Ballot Proceedings Policy #1.12.

Effect if the Charge is Approved

Approval of the NPDES Maximum Commercial/Industrial Regulatory Rate will be confirmed if the ballot is marked in favor of the NPDES rate. Approving the NPDES Maximum Commercial/Industrial Regulatory Rate through a mail ballot proceeding will fulfill the Conditions of Approval to provide a funding source for the NPDES program.

November 5, 2014

Effect if the Charge is Not Approved

Not approving the NPDES Maximum Commercial/Industrial Regulatory Rate to meet federally mandated NPDES Permit requirements may result in noncompliance with the Conditions of Approval. If the returned ballot is marked opposing the NPDES rate, then the rate will not be levied on the property tax bill.

For More Information

If you have any questions about the proposed program, the annual rate, or about the mail ballot proceeding process, please contact Jennifer Terry, Management Analyst, Special Districts, a Division of the Financial and Management Services Department, Monday through Thursday from 7:30 a.m. to 5:30 p.m. and Friday from 7:30 a.m. to 4:30 p.m. at 951.413.3505 or via email at JenniferT@moval.org.

Completing Your Ballot

Please follow the instructions listed below to complete and return your ballot. Procedures for the completion, return, and tabulation of the ballot are also on file in the City Clerk's office.

1. Mark the enclosed ballot in support of or opposition to the proposed program and annual rate **by placing a mark in the corresponding box.**
2. Sign your name on the ballot. Ballots received without signature(s) will be considered invalid *and will not be counted.*
3. Mail or personally deliver your completed ballot in a sealed envelope to the City Clerk's office, 14177 Frederick Street, Moreno Valley, California, 92553. For your convenience, a postage-paid envelope has been included for return of the ballot.
4. Ballot(s) must be **received** by the City Clerk prior to the close of the Public Hearing to be held on **Tuesday, January 13, 2015**, at the Moreno Valley City Hall Council Chamber. The Public Hearing will be held at 6:00 p.m. or as soon thereafter as the matter may be called. Ballots received after the close of the Public Hearing cannot be legally counted.

Ballot Marks

Appropriate ballot markings include any one of the following for either the YES/Approved or NO/Not Approved blank box:



A check mark substantially inside a box;



An X mark substantially inside a box;



A dot or oval mark substantially inside a box;



A completely shaded or filled mark substantially inside a box;



A line, single or dashed, or combination of lines, through the box area. Lines may be any one of the following marks: horizontal, vertical, or diagonal. The mark may either run from side to side or corner to corner. All valid lines must be substantially within the box area and not marking any part of another blank box on the ballot;

November 5, 2014



A circle around the box and/or associated clause; or



A square or rectangle around the box and/or associated clause.

Balloting marks shall not extend past one box area into any portion of another nor surround the perimeter or any portion of more than one box area. Markings that extend past one box area into any portion of another or surround the perimeter or any portion of more than one box area shall be considered invalid and not counted.

Ballot Mark Revisions (Changes): An error or desire to revise (change) a selection made on the ballot may be completed and returned any time **prior** to the conclusion of public testimony at the Public Hearing. **The revision must be initialed by the record owner(s) of property. Initials must be clearly printed and placed at the right top corner of the revised selection.**

COMMON INTEREST, COMMERCIAL, INDUSTRIAL AND QUASI-PUBLIC USE NPDES RATE SCHEDULE
 Adopted by the City Council on January 10, 2006

LEVEL I	LEVEL II												
<p align="center">NPDES Administration (Not covered by CSA 152)</p> <p>Costs associated with personnel, administration and management of the storm water management program. Administrative tasks include development and filing of various stormwater reports and data collection and management.</p> <p>Level I is levied on all parcels conditioned for the NPDES Rate Schedule.</p>	<p align="center">Site Design, Source Control and Treatment Control BMPs Monitoring and Maintenance</p> <p>Costs associated with stormwater and non-stormwater runoff monitoring, inspection of the project's site design, source control and treatment control BMPs; evaluation of site stormwater compliance activities, review of site-specific technical reports and treatment control BMP maintenance records.</p>												
<p>Fiscal Year (FY) 2005/2006 - Base Year Calculation, subject to an annual inflation factor based on the Los Angeles-Riverside-Orange County Regional Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics</p>	<p>Fiscal Year (FY) 2005/2006 - Base Year Calculation, subject to an annual inflation factor based on the Los Angeles-Riverside-Orange County Regional Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics</p>												
<table border="1"> <thead> <tr> <th>PROPOSED PARCEL RATE</th> <th>Per Month</th> <th>Per Year</th> </tr> </thead> <tbody> <tr> <td></td> <td align="center">\$2.67</td> <td align="center">\$32.00</td> </tr> </tbody> </table>	PROPOSED PARCEL RATE	Per Month	Per Year		\$2.67	\$32.00	<table border="1"> <thead> <tr> <th>PROPOSED PARCEL RATE</th> <th>Per Month</th> <th>Per Year</th> </tr> </thead> <tbody> <tr> <td></td> <td align="center">\$12.58</td> <td align="center">\$151.00</td> </tr> </tbody> </table>	PROPOSED PARCEL RATE	Per Month	Per Year		\$12.58	\$151.00
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Inflation Factor Adjustments

- FY 2006/2007 - 4.5% = (\$33.00 & \$158.00)
- FY 2007/2008 - 3.1% = (\$34.00 & \$163.00)
- FY 2008/2009 - 4.2% = (\$35.00 & \$170.00)
- FY 2009/2010 - no change = (\$35.00 & \$170.00)
- FY 2010/2011 - no change = (\$35.00 & \$170.00)
- FY 2011/2012 - 3.8% = (\$36.00 & \$176.00)
- FY 2012/2013 - 2.7% = (\$37.00 & \$181.00)
- FY 2013/2014 - 2.0% = (\$38.00 & \$185.00) rounded to the nearest dollar
- FY 2014/2015 - 1.14% = (\$39.52 & \$186.49) Pursuant to City Council approval on June 10, 2014.

**OFFICIAL MAIL BALLOT for
Assessor's Parcel Numbers (APNs) 297-140-037, 297-140-038, 297-140-039, 297-140-040, 297-140-041, and 297-140-042**

**National Pollutant Discharge Elimination System (NPDES)
Maximum Commercial/Industrial Regulatory Rate**

YES* — as property owner of APNs 297-140-037, 297-140-038, 297-140-039, 297-140-040, 297-140-041, and 297-140-042, **I approve** the NPDES Maximum Commercial/Industrial Regulatory Rate and services. For fiscal year (FY) 2014/15, the NPDES Maximum Commercial/Industrial Regulatory Rate is \$226.01 per parcel. Upon approval of the maximum regulatory rate, the annual levy amount shall be placed on the Riverside County property tax bill or included as a monthly charge on a utility bill. Beginning FY 2015/16, the maximum regulatory rate will be subject to an annual adjustment based on the percentage change calculated for the previous year in the Los Angeles-Riverside-Orange County Regional Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics. The City will annually inspect site design, source and treatment control Best Management Practices, verify monitoring and maintenance records for those on-site facilities, and perform annual inspections of the affected areas to ensure compliance with federally mandated NPDES Permit requirements, as administered by the State.

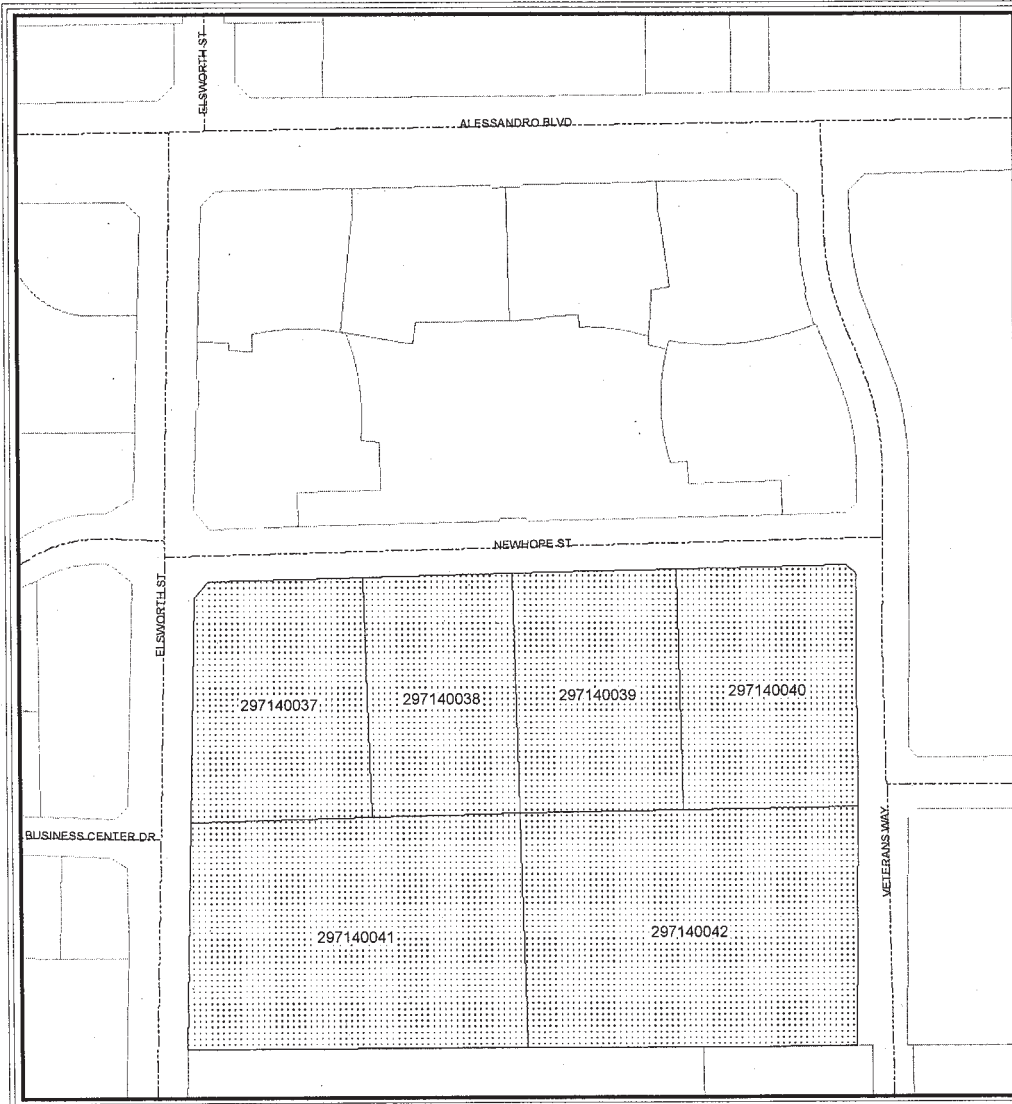
NO** — as property owner of APNs 297-140-037, 297-140-038, 297-140-039, 297-140-040, 297-140-041, and 297-140-042, **I do not approve** the NPDES Maximum Commercial/Industrial Regulatory Rate and services. I understand that not approving the NPDES Maximum Commercial/Industrial Regulatory Rate to fund federally mandated NPDES Permit requirements may result in noncompliance with the project's Conditions of Approval. The NPDES maximum commercial/industrial regulatory rate will not be levied on the Riverside County property tax bill.

Assessor's Parcel Numbers	YES	NO**	NPDES Maximum Commercial/Industrial Regulatory Rate
297-140-037 (and any division thereof)	<input type="checkbox"/>	<input type="checkbox"/>	\$226.01
297-140-038 (and any division thereof)	<input type="checkbox"/>	<input type="checkbox"/>	\$226.01
297-140-039 (and any division thereof)	<input type="checkbox"/>	<input type="checkbox"/>	\$226.01
297-140-040 (and any division thereof)	<input type="checkbox"/>	<input type="checkbox"/>	\$226.01
297-140-041 (and any division thereof)	<input type="checkbox"/>	<input type="checkbox"/>	\$226.01
297-140-042 (and any division thereof)	<input type="checkbox"/>	<input type="checkbox"/>	\$226.01

This ballot must be received by the City Clerk of the City of Moreno Valley prior to the close of the Public Hearing to be held on January 13, 2015, at the Moreno Valley City Hall Council Chamber, 14177 Frederick Street, Moreno Valley, California. The Public Hearing will be held at 6:00 p.m. or as soon thereafter as the matter may be called.







PROPERTY OWNER SIGNATURE DATE

Please remember to mark the appropriate box, sign and date the ballot and return to the City Clerk's office in the enclosed envelope prior to the close of the January 13, 2015 Public Hearing



PP for a 373,000 sq ft warehouse

APN

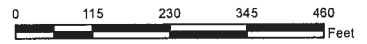
-  297140037
-  297140038
-  297140039
-  297140040
-  297140041
-  297140042

 Roads

 Parcels

 City Boundary

Map reflects all changes indicated on Riverside County Assessor Maps as of October 30, 2014.



G:\VVP\ISDA\PA13-0030 Shaw Dev.mxd

The information shown on this map was compiled from the Riverside County GIS and the City of Moreno Valley GIS. The land base and facility information on this map is for display purposes only and should not be relied upon without independent verification as to its accuracy. Data and information on this map is subject to update and modification. Riverside County and City of Moreno Valley will not be held responsible for any claims, losses or damages resulting from the use of this map. This map is not to be recycled or resold.



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TEL: 951.413.3480
 FAX: 951.413.3498
 WWW.MOVAL.ORG



14331 FREDERICK STREET, SUITE 2
 P. O. Box 88005
 MORENO VALLEY, CA 92552-0805

Woodhaven Developers, Inc.
 c/o James R. Pickett
 36875 Pauba Road
 Temecula, CA 92592

November 5, 2014

NOTICE TO PROPERTY OWNER-MAIL BALLOT PROCEEDING FOR THE NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) MAXIMUM COMMERCIAL/INDUSTRIAL REGULATORY RATE FOR APN 292-100-010

******* OFFICIAL BALLOT ENCLOSED *******

Introduction

In November of 1996, California voters passed Proposition 218 (“The Right to Vote on Taxes Act”). As a result, any new or proposed increase in a property-related charge requires approval of the charge by the property owner of record. In compliance with Proposition 218 legislation, the City of Moreno Valley Special Districts Division is conducting a mail ballot proceeding to provide the owner of Assessor’s Parcel Number (APN) 292-100-010 the opportunity to express support for or opposition to the approval of the NPDES Maximum Commercial/Industrial Regulatory Rate and services. Approval of the NPDES Maximum Commercial/Industrial Regulatory Rate through a mail ballot proceeding will fulfill the Conditions of Approval to provide a funding source for the NPDES program.

Background

The current NPDES Permit, as administered by the State, regulates the volume and amount of pollutants in stormwater runoff from all development types. The City provides the services necessary to meet mandates of the Federal Clean Water Act. NPDES Maximum Commercial/Industrial Regulatory Rate provides financial support for inspecting site design, source and treatment control Best Management Practices, monitoring maintenance records for those on-site facilities, and performing annual inspections of the affected areas to ensure compliance with federally mandated NPDES Permit requirements, as administered by the State.

Services Provided

In compliance with the Federal Clean Water Act, the City of Moreno Valley shall annually inspect site design, source and treatment control Best Management Practices, verify monitoring and maintenance records for those on-site facilities, and perform annual inspections of the affected areas to ensure compliance with federally mandated NPDES Permit requirements.

How is the Amount of the Charge Determined?

Each fiscal year (FY), the City of Moreno Valley shall determine the type of services necessary to comply with NPDES Permit requirements and levy the rate applicable for that service. The rate levied shall not exceed the rate previously approved by the property owner.

Proposed Charge

For FY 2014/15, the NPDES Maximum Commercial/Industrial Regulatory Rate is \$226.01 per parcel. The total amount of the NPDES rates levied for FY 2014/15 for the program as a whole was \$439,115.06.

Annual Adjustment

Beginning in FY 2015/16, the NPDES Maximum Commercial/Industrial Regulatory Rate will be subject to an annual adjustment based on the percentage change calculated for the previous year in the Los Angeles-Riverside-Orange County Regional Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics.

Duration of the Charge

Upon approval of the NPDES Maximum Commercial/Industrial Regulatory Rate, the annual levy amount will be assessed to APN 292-100-010 (and any division thereof) and shall be placed on the Riverside County property tax bill or included as a monthly charge on a utility bill. The NPDES Maximum Commercial/Industrial Regulatory Rate will be levied each following year at the proposed rate, which includes an annual inflation adjustment.

Public Hearing

To provide information concerning this mail ballot proceeding the City has scheduled one (1) Public Meeting and one (1) Public Hearing, which will be held at the **Moreno Valley City Hall Council Chamber located at 14177 Frederick Street, Moreno Valley.**

<u>Public Meeting</u>	<u>Public Hearing</u>
Tuesday, December 9, 2014 6:00 P.M. (Or As Soon Thereafter As The Matter May Be Called)	Tuesday, January 13, 2015 6:00 P.M. (Or As Soon Thereafter As The Matter May Be Called)

Tabulation of returned ballots will commence after the close of the Public Hearing. All ballots received shall be tabulated under the direction of the City Clerk in compliance with the current Policy For Conducting Mail Ballot Proceedings Policy #1.12.

Effect if the Charge is Approved

Approval of the NPDES Maximum Commercial/Industrial Regulatory Rate will be confirmed if the ballot is marked in favor of the NPDES rate. Approving the NPDES Maximum Commercial/Industrial Regulatory Rate through a mail ballot proceeding will fulfill the Conditions of Approval to provide a funding source for the NPDES program.

Effect if the Charge is Not Approved

Not approving the NPDES Maximum Commercial/Industrial Regulatory Rate to meet federally mandated NPDES Permit requirements may result in noncompliance with the Conditions of Approval. If the returned ballot is marked opposing the NPDES rate, then the rate will not be levied on the property tax bill.

For More Information

If you have any questions about the proposed program, the annual rate, or about the mail ballot proceeding process, please contact Jennifer Terry, Management Analyst, Special Districts, a

November 5, 2014

Division of the Financial and Management Services Department, Monday through Thursday from 7:30 a.m. to 5:30 p.m. and Friday from 7:30 a.m. to 4:30 p.m. at 951.413.3505 or via email at JenniferT@moval.org.

Completing Your Ballot

Please follow the instructions listed below to complete and return your ballot. Procedures for the completion, return, and tabulation of the ballot are also on file in the City Clerk's office.

1. Mark the enclosed ballot in support of or opposition to the proposed program and annual rate **by placing a mark in the corresponding box.**
2. Sign your name on the ballot. Ballots received without signature(s) will be considered invalid *and will not be counted.*
3. Mail or personally deliver your completed ballot in a sealed envelope to the City Clerk's office, 14177 Frederick Street, Moreno Valley, California, 92553. For your convenience, a postage-paid envelope has been included for return of the ballot.
4. Ballot(s) must be **received** by the City Clerk prior to the close of the Public Hearing to be held on **Tuesday, January 13, 2015**, at the Moreno Valley City Hall Council Chamber. The Public Hearing will be held at 6:00 p.m. or as soon thereafter as the matter may be called. Ballots received after the close of the Public Hearing cannot be legally counted.

Ballot Marks

Appropriate ballot markings include any one of the following for either the YES/Approved or NO/Not Approved blank box:



A check mark substantially inside a box;



An X mark substantially inside a box;



A dot or oval mark substantially inside a box;



A completely shaded or filled mark substantially inside a box;



A line, single or dashed, or combination of lines, through the box area. Lines may be any one of the following marks: horizontal, vertical, or diagonal. The mark may either run from side to side or corner to corner. All valid lines must be substantially within the box area and not marking any part of another blank box on the ballot;



A circle around the box and/or associated clause; or



A square or rectangle around the box and/or associated clause.

Balloting marks shall not extend past one box area into any portion of another nor surround the perimeter or any portion of more than one box area. Markings that extend past one box area into any portion of another or surround the perimeter or any portion of more than one box area shall be considered invalid and not counted.

Ballot Mark Revisions (Changes): An error or desire to revise (change) a selection made on the ballot may be completed and returned any time **prior** to the conclusion of public testimony at the Public Hearing. **The revision must be initialed by the record owner(s) of property. Initials must be clearly printed and placed at the right top corner of the revised selection.**

COMMON INTEREST, COMMERCIAL, INDUSTRIAL AND QUASI-PUBLIC USE NPDES RATE SCHEDULE
 Adopted by the City Council on January 10, 2006

LEVEL I		LEVEL II	
NPDES Administration <i>(Not covered by CSA 152)</i>		Site Design, Source Control and Treatment Control BMPs Monitoring and Maintenance	
Costs associated with personnel, administration and management of the storm water management program. Administrative tasks include development and filing of various stormwater reports and data collection and management.		Costs associated with stormwater and non-stormwater runoff monitoring, inspection of the project's site design, source control and treatment control BMPs; evaluation of site stormwater compliance activities, review of site-specific technical reports and treatment control BMP maintenance records.	
Level I is levied on all parcels conditioned for the NPDES Rate Schedule.			
Fiscal Year (FY) 2005/2006 - Base Year Calculation, subject to an annual inflation factor based on the Los Angeles-Riverside-Orange County Regional Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics			
PROPOSED PARCEL RATE	Per Month	Per Year	PROPOSED PARCEL RATE
	\$2.67	\$32.00	Per Month \$12.58 Per Year \$151.00

Inflation Factor Adjustments

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- FY 2012/2013 - 2.7% = (\$37.00 & \$181.00)
- FY 2013/2014 - 2.0% = (\$38.00 & \$185.00) rounded to the nearest dollar
- FY 2014/2015 - 1.14% = (\$39.52 & \$186.49) Pursuant to City Council approval on June 10, 2014.

**OFFICIAL MAIL BALLOT for
Assessor's Parcel Number (APN) 292-100-010**

**National Pollutant Discharge Elimination System (NPDES)
Maximum Commercial/Industrial Regulatory Rate**

YES* — as property owner of APN 292-100-010, I approve the NPDES Maximum Commercial/Industrial Regulatory Rate and services. For fiscal year (FY) 2014/15, the NPDES Maximum Commercial/Industrial Regulatory Rate is \$226.01 per parcel. Upon approval of the maximum regulatory rate, the annual levy amount shall be placed on the Riverside County property tax bill or included as a monthly charge on a utility bill. Beginning FY 2015/16, the maximum regulatory rate will be subject to an annual adjustment based on the percentage change calculated for the previous year in the Los Angeles-Riverside-Orange County Regional Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics. The City will annually inspect site design, source and treatment control Best Management Practices, verify monitoring and maintenance records for those on-site facilities, and perform annual inspections of the affected areas to ensure compliance with federally mandated NPDES Permit requirements, as administered by the State.

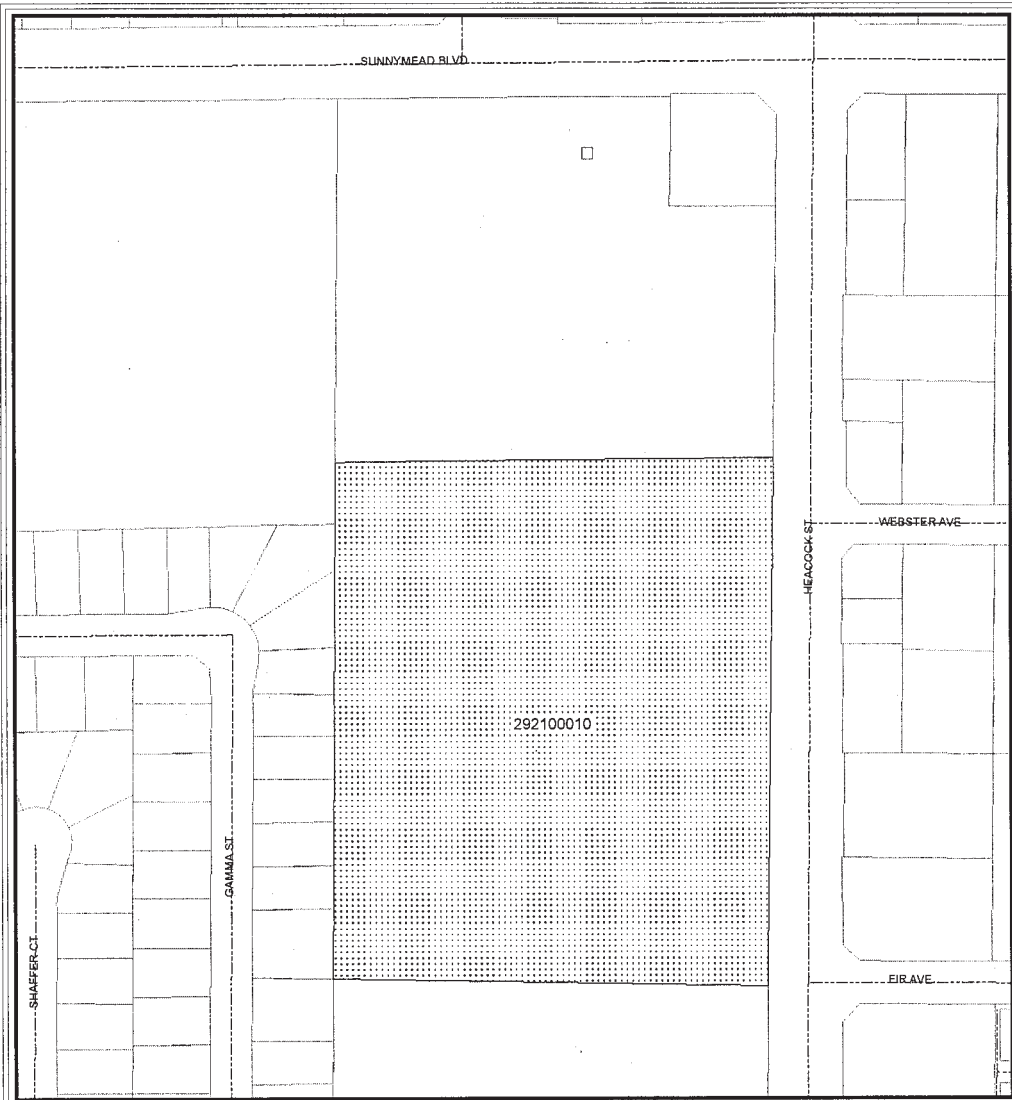
NO** — as property owner of APN 292-100-010, I do not approve the NPDES Maximum Commercial/Industrial Regulatory Rate and services. I understand that not approving the NPDES Maximum Commercial/Industrial Regulatory Rate to fund federally mandated NPDES Permit requirements may result in noncompliance with the project's Conditions of Approval. The NPDES maximum commercial/industrial regulatory rate will not be levied on the Riverside County property tax bill.

Assessor's Parcel Number	YES*	NO**	NPDES Maximum Commercial/Industrial Regulatory Rate
292-100-010 (and any division thereof)	<input type="checkbox"/>	<input type="checkbox"/>	\$226.01





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PROPERTY OWNER SIGNATURE DATE

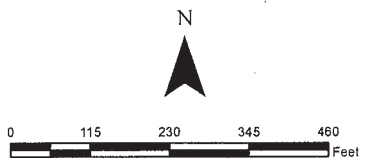
Please remember to mark the appropriate box, sign and date the ballot and return to the City Clerk's office in the enclosed envelope prior to the close of the January 13, 2015 Public Hearing



**Plot Plan for a 52,250
sq ft office building
PA14-0020**

-  APN 292-100-010
-  Roads
-  Parcels
-  City Boundary

Map reflects all changes indicated
on Riverside County Assessor Maps
as of October 30, 2014.



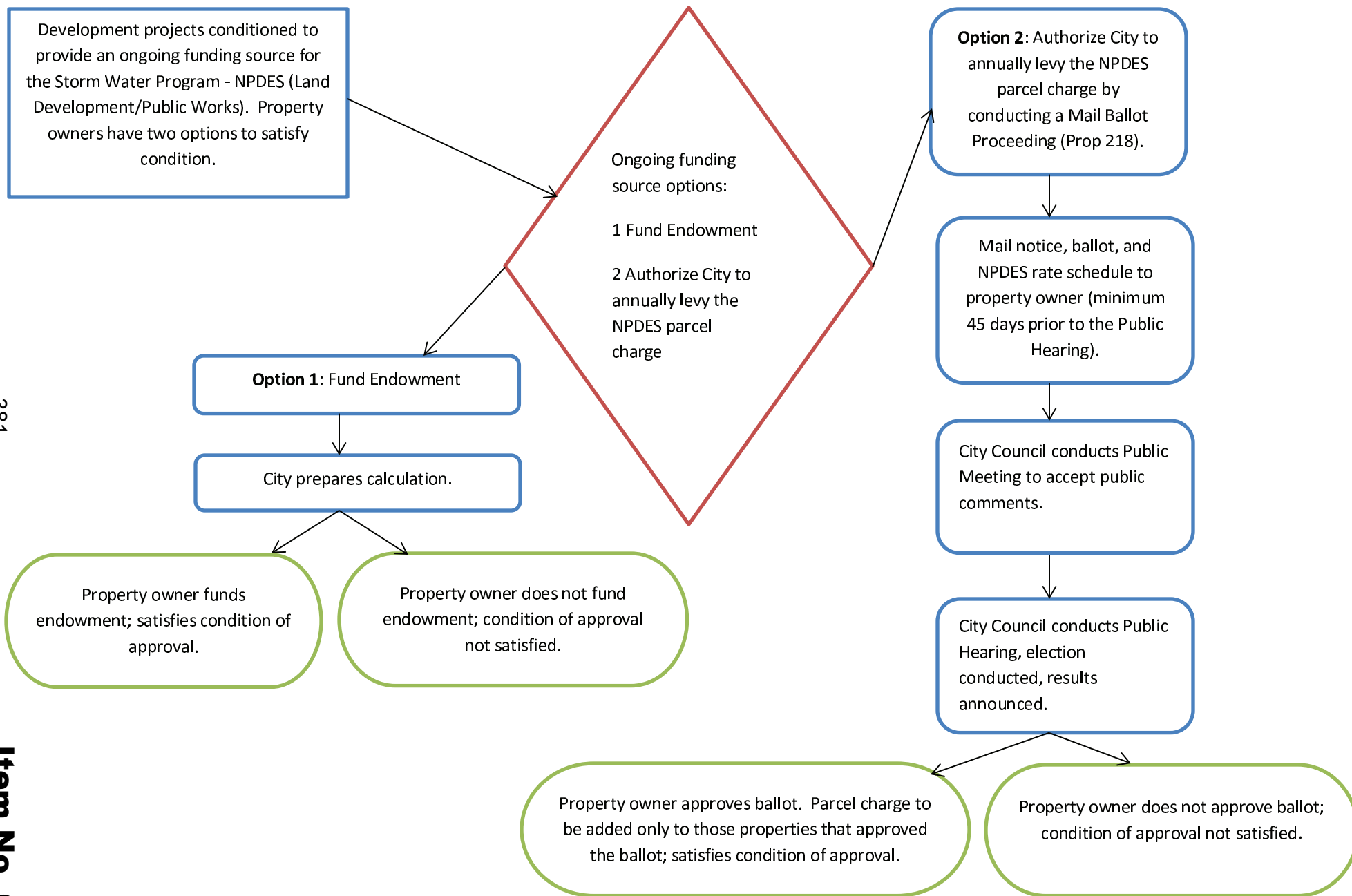
G:\V\PSDA\PA14-0020 DPSS.mxd

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Process Flow for Property Owners/Developers to Satisfy Funding Requirement for the Storm Water Program



-381-

Item No. G.1

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>[Signature]</i>
CITY MANAGER	<i>[Signature]</i>

Report to City Council

TO: Mayor and City Council

FROM: Jane Halstead, City Clerk, CMC

AGENDA DATE: December 9, 2014

TITLE: APPOINTMENT TO THE JULY 4TH ADVISORY BOARD (TEENAGE MEMBER)

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Appoint Brian McMillian to the July 4th Advisory Board as a teenage member for a term expiring July 31, 2017, or until high school graduation, whichever comes first; or
2. If an appointment is not made, declare the position vacant and authorize the City Clerk to re-notice the position as vacant and carry over the current application for reconsideration of appointment at a future date.

SUMMARY/DISCUSSION

The City Clerk's Office posted Notices of Openings to fill vacancies for the teen member positions on the July 4th Advisory Board since July 7, 2014. In addition to posting the notices at the City Hall, the Senior Citizens Center and the Library, the notices were posted on the City's Web site, displayed on MVTV, forwarded to the Press-Enterprise for publishing (non-paid posting), and forwarded to schools for distribution. Appropriate time frames with respect to posting notices of vacancies were followed.

As provided in the City's Municipal Code, the appointee will serve without compensation for a designated term.

The July 4th Advisory Board has two vacant teen member positions: one with a term expiring July 31, 2016, or until high school graduation, and one term expiring July 31, 2017, or until high school graduation, whichever comes first. The City Clerk's Office

received one application from Brian McMillian. Staff recommends that the City Council appoint Brian McMillian to the July 4th Advisory Board as a teen member with a term expiring July 31, 2017, or until high school graduation, whichever comes first.

ALTERNATIVES

The July 4th Advisory Board shall have the general power and duty to act in an advisory capacity to the staff and City Council in all matters pertaining to the City's July 4th festivities, including promoting and seeking possible funding sources for the City's July 4th Festivities.

By appointing a teen representative, contributions from the teenage population would be increased, which is consistent with the City Council goal of creating a positive environment for the development of Moreno Valley's future. Therefore, staff recommends that the City Council appoint a teen member to the July 4th Advisory Board.

NOTIFICATION

1. Posting of Notices of Openings
2. Publication of the agenda
3. Report and agenda mailed to the applicant

ATTACHMENTS

None

Prepared by:
Ewa Lopez
Deputy City Clerk, CMC

Department Head Approval:
Jane Halstead
City Clerk, CMC



APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>R</i>
CITY MANAGER	<i>D</i>

Report to City Council

TO: Mayor and City Council

FROM: Richard Teichert, Chief Financial Officer

AGENDA DATE: December 9, 2014

TITLE: DECLARING INTENTION TO PROVIDE FOR FUTURE ANNEXATION OF TERRITORY TO CITY OF MORENO VALLEY COMMUNITY FACILITIES DISTRICT NO. 2014-01 (MAINTENANCE SERVICES) AND TO AMEND AND RESTATE THE RATE AND METHOD OF APPORTIONMENT FOR THE DISTRICT TO DESIGNATE TAX RATE AREAS NO. LM-02 AND SL-02 AND REVISE THE RATE STRUCTURE FOR TAX RATE AREA NO. LM-01

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Adopt Resolution No. 2014-100. A Resolution of the City Council of the City of Moreno Valley, California, Declaring its Intention to Provide for Future Annexation of Territory to City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services) and to Amend and Restate the Rate and Method of Apportionment for the District to Designate Tax Rate Areas No. LM-02 and SL-02 and Revise the Rate Structure for Tax Rate Area No. LM-01.

SUMMARY

The recommended Resolution would begin the process to revise the tax rate for Community Facilities District No. 2014-01 (Maintenance Services), re-designate the future annexation boundary, and set January 13, 2015 as the date for the Public Hearing to receive testimony and consider whether to approve these changes.

The District was established to provide a mechanism by which new development will fund the costs of new services, thereby avoiding a drain on the City's general fund. The proposed amendment **will not** increase the Maximum Special Tax Rate for

properties already in the District.

The District's existing tax structure was designed to fund street lighting and landscaping costs associated with typical single family developments. Proposed amendments to the rate and method of apportionment include:

- 1) Adding an expanded tax rate table for Tax Rate Area No. LM-01 for single family residential landscaping (Attachment 3). This tax rate table provides various Maximum Special Tax Rates based on the size of the development's landscaping and number of homes funding the ongoing maintenance.
- 2) Adding two new Tax Rate Areas (LM-02 and SL-02) for landscape maintenance and operation of street lighting for developments other than single family residential.

Because two new Tax Rate Areas are proposed to be added, it is necessary to re-designate the future annexation area boundary (which will continue to encompass all areas within the City's boundaries).

DISCUSSION

District Formation

The District was formed by adoption of Resolution No. 2014-25 to provide an alternative financing tool for the development community. Residential Tract 31618 (located on the southwest corner of Moreno Beach Drive and Bay Avenue) was the development used to establish the CFD and currently is the only tract within the District and subject to the Maximum Special Tax. Habitat for Humanity, Inc., the property owner of Assessor's Parcel Numbers 481-250-002 and 481-250-003 (located on the south side of Myers Ave. west of Indian St.) has requested to annex into the District for standard residential street lighting; the Mayor and Council are being asked to consider this request on this evening's agenda.

First Amended and Restated RMA

By its Ordinance No. 882, the City Council designated the entire territory of the City a future annexation area for the District. The future annexation area boundary was defined as the area subject to the amended and restated rate and method of apportionment of special tax ("RMA"), which reassigned the original Tax Rate Area No. 1 in the District into two separate tax rate areas: LM-01 for maintenance of public landscaping and SL-01 for operation of standard street lighting for single family residential developments. The separation of the special tax rate for each of the services provided allows the development community flexibility when satisfying its conditions of approval.

Proposed Second Amended and Restated RMA

The second amendment to the RMA (Attachment 3) proposes to: 1) expand the tax rate table for Tax Rate Area No. LM-01 for single family residential landscaping. The tax

rate table was added to provide various Maximum Special Tax Rates based on the size of the development's landscaping and number of homes funding the ongoing maintenance. And, 2) add two new Tax Rate Areas (LM-02 and SL-02) to fund landscape maintenance and operation of street lighting for developments other than single family residential. The proposed amendment **will not** increase the Maximum Special Tax Rate for properties already in the District.

Similar to the process conducted to approve the first amendment to the RMA, a future annexation area boundary will need to be established to define the area that will be subject to the new Tax Rate Areas. The proposed future annexation area is the same as the boundaries of the City. While the future annexation area boundaries establishes which parcels are in the District, the property owners of a given development must unanimously approve the annexation to the District and approve the Maximum Special Tax prior to any special tax being levied against their property.

Resolution Declaring Intention

Prior to amending the RMA, a Resolution of Intention (Attachment 1) to declare intent to establish a future annexation area boundary and to amend the RMA to designate Tax Rate Areas No. LM-02 and SL-02 and revise the rate structure for Tax Rate Area No. LM-01 must be adopted. The Resolution also schedules the public hearing for January 13, 2015 when the Council will be asked to consider conducting a public hearing to establish a future annexation area boundary for the second amendment to the RMA.

ALTERNATIVES

1. **Recommend approval of the Resolution of Intention** to provide for future annexation of territory to CFD No. 2014-01 and to amend and restate the RMA to designate Tax Rate Areas No. LM-02 and SL-02 and revise the rate structure for Tax Rate Area No. LM-01. *Approving the future annexation area and the second amended and restated RMA will provide flexibility in funding options available to the development community.*
2. **Do not recommend approval of the Resolution of Intention** to provide for future annexation of territory to CFD No. 2014-01 and to amend and restate the RMA to designate Tax Rate Areas No. LM-02 and SL-02 and revise the rate structure for Tax Rate Area No. LM-01. *Not approving the future annexation area and the second amended and restated RMA will limit flexibility in funding options available to the development community.*
3. **Do not recommend approval of the Resolution of Intention** but continue the item to a future Council meeting. *This alternative may delay developments or prevent them from utilizing the proposed Tax Rate Areas.*

FISCAL IMPACT

Third party costs associated with the second amendment to the Rate and Method of Apportionment are projected to not exceed \$12,400. Third party services include a

special tax consultant, special legal counsel, legal noticing publication, recording costs, and other related expenses. These costs will be absorbed within the Special Districts Administrative Fund 2006-30-79-25701.

The proposed second amended and restated RMA has four separate Tax Rate Areas, some of which have multiple categories in the Tax Rate Area. The Maximum Special Tax for each Tax Rate Area is subject to an annual inflation adjustment based on the change in the Consumer Price Index (“CPI”) for All Urban Consumers for the Los Angeles-Riverside-Orange County Region as published by the Department of Labor’s Bureau of Labor Statistics or five percent (5%), whichever is greater. The City Council must review and approve the CPI adjustment each year prior to the annual levy. The Maximum Special Tax for each Tax Rate Area has been calculated to achieve full cost recovery. The Maximum Special Tax Rates cannot be increased beyond the annual CPI adjustment without approval of the property owners that are subject to the tax.

CITY COUNCIL GOALS

Community Image, Neighborhood Pride, and Cleanliness

A maintenance CFD provides developers and property owners with an alternative method to satisfying their conditions of approval for providing a funding source for the ongoing maintenance of public landscaping and operation of street lighting within the District.

Revenue Diversification and Preservation

A maintenance and service CFD provides developers and property owners with an opportunity to fund desired City services and secure the provision of those services. The CFD will further stabilize the revenue base for special district services and programs and is consistent with prudent financial practices.

NOTIFICATION

Newspaper advertising for the proposed January 13, 2015, Public Hearing is scheduled to be published in The Press-Enterprise on Friday, January 2, 2015 to give any interested person, including persons owning property within the District, the opportunity to appear and present any matters relating to the proposed future annexation area boundaries of the CFD. Publication in the newspaper exceeds the legal requirement to publish 7 days prior to the date of the Public Hearing.

ATTACHMENTS

1. Proposed Resolution of the City Council of the City of Moreno Valley, California, Declaring its Intention to Provide for Future Annexation of Territory to City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services) and to Amend and Restate the Rate and Method of Apportionment for the District to Designate Tax Rate Areas No. LM-02 and SL-02 and Revise the Rate Structure for Tax Rate Area No. LM-01

2. Annexation No. 2 Future Annexation Area Boundary Map
3. Second Amended and Restated RMA
4. Redline Changes to the RMA

Prepared by:
Jennifer Terry,
Management Analyst

Department Head Approval:
Richard Teichert,
Chief Financial Officer

Concurred by:
Candace E. Cassel,
Special Districts Division Manager

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RESOLUTION NO. 2014-100

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DECLARING ITS INTENTION TO PROVIDE FOR FUTURE ANNEXATION OF TERRITORY TO CITY OF MORENO VALLEY COMMUNITY FACILITIES DISTRICT NO. 2014-01 (MAINTENANCE SERVICES) AND TO AMEND AND RESTATE THE RATE AND METHOD OF APPORTIONMENT FOR THE DISTRICT TO DESIGNATE TAX RATE AREAS NO. LM-02 AND SL-02 AND REVISE THE RATE STRUCTURE FOR TAX RATE AREA NO. LM-01

WHEREAS, by its Resolution No. 2014-25, the City Council established its City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services) (the "CFD") pursuant to the Mello-Roos Community Facilities Act of 1982 (Government Code Section 53311 *et seq.*) (the "Act"); and

WHEREAS, by its Ordinance No. 874, the City Council levied an annual special tax against all nonexempt parcels of real property within the CFD (the "Special Tax") to fund street lighting services and landscape maintenance services; and

WHEREAS, if such funding has not otherwise been provided, public convenience and necessity require that territory be added to the CFD in order to fund the operation and maintenance of street lights, landscaping, and similar improvements associated with development in that territory; and

WHEREAS, Article 3.5 of the Act authorizes the City Council to provide for the future annexation of territory to a community facilities district by designating a future annexation area for that district; and

WHEREAS, such designation permits the annexation of a parcel with the unanimous approval of the owner or owners of each parcel or parcels at the time that parcel or those parcels are annexed; and

WHEREAS, in order to permit landowners to efficiently annex developing parcels to the CFD, the City Council, by its Ordinance No. 882 designated the entire territory of the City as a future annexation area for the CFD and approved an amended and restated rate and method of apportionment for the Special Tax; and

WHEREAS, the City Council desires to further amend the rate and method of apportionment for the Special Tax in order to provide for the equitable apportionment of the tax to territory consisting of parcels that are not developed with single family residences; and

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Date Adopted: December 9, 2014

WHEREAS, the City Council also desires to amend the rate and method of apportionment for the Special Tax in order to provide for the equitable apportionment of the tax with respect to territory where, on a per parcel basis, the cost of providing street lighting and landscape maintenance services will be higher or lower than the cost of providing those services in the existing district; and

WHEREAS, the mechanism for making these changes is to redesignate the entire territory of the City as a future annexation area for the CFD, which will allow property owners, at the discretion of the City Council, to annex their property to the CFD and subject such property to the amended rate and method of apportionment.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. Recitals. The above recitals are all true and correct.
2. Initiation of Proceedings. The City Council declares its intention to provide for future annexation of territory to the CFD.
3. Name of CFD. The name of the CFD is “City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services).”
4. Future Annexation Area. The territory on the map titled “Annexation Map No. 2 of Community Facilities District No. 2014-01 (Maintenance Services) of City of Moreno Valley, County of Riverside, California (Territory proposed for annexation in the future, with the condition that parcels within that territory may be annexed only with the unanimous approval of the owner or owners of each parcel or parcels at the time that parcel or those parcels are annexed)”, which is on file in the office of the City Clerk, available for public inspection and incorporated herein by reference (“Annexation Map No. 2”) is proposed for annexation to the CFD in the future, with the condition that parcels within that territory may be annexed only with the unanimous approval of the owner or owners of each parcel or parcels at the time that parcel or those parcels are annexed. A reduced copy of the annexation map is attached hereto as Exhibit A.
5. Description of Services. The following is a general description of the services (the “Services”) provided in the CFD:

- A. Landscape Maintenance Services: Maintaining, servicing, and operating landscape improvements and associated appurtenances located within the public right-of-way and within dedicated landscape easements for the CFD. These improvements may include but are not limited to parkways, medians, open space landscaping, fencing, monuments, ornamental lighting, drainage, turf, ground cover, shrubs, vines and trees, irrigation systems, and appurtenant facilities and structures. Fundable costs may include, but are not limited to: (i) contracting costs for landscape maintenance services, including litter removal, (ii) salaries and benefits of City staff, (iii) expenses related to equipment, apparatus, and

supplies related to these services, (iv) City administrative and overhead costs associated with providing such services within the CFD, and (v) lifecycle costs associated with the repair and replacement of facilities.

- B. Street Lighting Services: Maintaining, servicing, and operating street lights and appurtenant improvements. Fundable costs may include, but are not limited to: (i) contracting costs for street light maintenance, (ii) salaries and benefits of City staff, if the City directly provides street light maintenance services, (iii) utility expenses and the expense related to equipment, apparatus, and supplies related to these services and authorized by the Act, (iv) City administrative and overhead costs associated with providing such services for the CFD, and (v) lifecycle costs associated with the repair and replacement of facilities.

These services are in addition to those provided in the territory within the CFD prior to the establishment of the CFD and that such Services will not supplant services already available within the territory. Not all of the listed services are provided to every parcel in the CFD. The actual services provided depend on the Tax Rate Area to which the parcel is assigned. The City may, at some future point, add additional services to the CFD. Any such changes will only affect parcels annexed to the CFD after such changes are made.

6. Special Tax. Except where funds are otherwise available, a special tax sufficient to pay for the Services, secured by recordation of a continuing lien against all nonexempt real property in the district, will be annually levied within the CFD (the "Special Tax"). Under no circumstances will the special tax levied in any fiscal year against any parcel be increased as a consequence of delinquency or default by the owner or owners of any other parcel or parcels within the district by more than 10 percent above the amount that would have been levied in that fiscal year had there never been any such delinquencies or defaults. A complete description of the rate and method of apportionment of the Special Tax, designated as the "Second Amended and Restated Rate and Method of Apportionment of Special Tax", is attached hereto as Exhibit "B" and incorporated herein.

The Special Tax will be collected in the same manner as ordinary ad valorem property taxes are collected and shall be subject to the same penalties and the same procedure, sale, and lien priority in case of delinquency as is provided for ad valorem taxes. Notwithstanding the forgoing, any Special Taxes that cannot be collected on the County tax roll, or are not so collected, may be collected through direct billing by the City.

The rate and method of apportionment attached hereto represents a restatement of the existing rate and method of apportionment, amended to add Tax Rate Area Nos. LM-02 and SL-02 (to provide for territory developed with other than single family residences) and to expand the tax rates applicable in Tax Rate Area No. LM-01 (to provide for territory with different landscape maintenance costs per single family residential parcel). For clarity, the text of the existing RMA has been reorganized and edited.

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The designated future annexation area is designated for annexation as part of all Tax Rate Areas in the CFD; and any annexation action shall specify to which Tax Rate Area(s) the annexed territory will be added. The addition of parcels will not require a change in the existing tax rate formula, which is incorporated into the restated RMA. The maximum tax rate on parcels currently in the CFD will not be increased as a result of the proceedings initiated by this Resolution.

7. Public Hearing. On January 27, 2015, at 6:00 PM (or as soon thereafter as practical), in the City Council Chamber located at 14177 Frederick Street, Moreno Valley, California 92553, the City Council will hold a Public Hearing on the designation of territory for annexation to the CFD in the future. At the Hearing the testimony of all interested persons or taxpayers will be heard. At the Hearing, protests against the designation of territory for annexation to the CFD in the future may be made in writing by any interested person or taxpayer. If a written majority protest against the designation is filed (as determined in accordance with Section 53339.6 of the Act), the proceedings shall be abandoned.

8. Public Interest. Pursuant to Section 53329.5(c) of the Act, the City Council finds that the public interest will not be served by allowing property owners in the CFD to enter into a contract pursuant to Section 53329.5(a) of the Act.

9. This Resolution shall be effective immediately upon adoption.

10. The City Clerk shall cause Annexation Map No. 2, as approved, to be filed in the Office of the County Recorder no later than fifteen (15) days after the date of adoption of this Resolution and shall give notice of the Public Hearing as required by law.

11. The City Clerk shall certify to the adoption of this Resolution, and shall maintain on file as a public record this Resolution.

APPROVED AND ADOPTED this 9th day of December, 2014.

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

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APPROVED AS TO FORM:

City Attorney

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Resolution No. 2014-100
Date Adopted: December 9, 2014

RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2014-100 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 9th day of December, 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

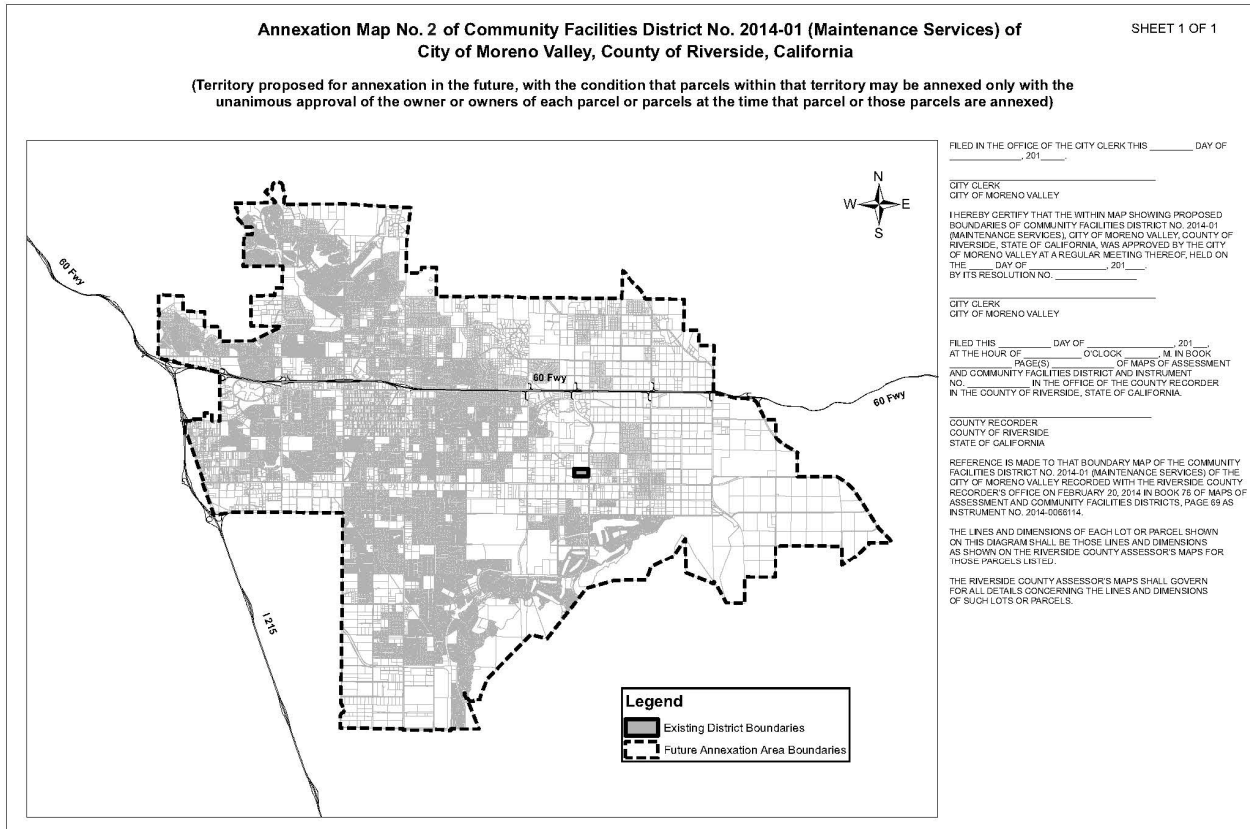
(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

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Annexation Boundary Map No. 2



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Resolution No. 2014-100
Date Adopted: December 9, 2014

Second Amended and Restated RMA



**SECOND AMENDED AND RESTATED
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX**

A Special Tax for the City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services) (the "CFD") shall be levied on all Assessor's Parcels in the CFD and collected each Fiscal Year in an amount determined by the City through the application of the rate and method of apportionment of the Special Tax set forth below. All of the real property in the CFD, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Act" means the Mello-Roos Community Facilities Act of 1982 (Government Code Section 53311 *et seq.*).

"Administrative Expenses" means the expenses incurred by the City as administrator of the CFD to determine, levy and collect the Special Taxes, including salaries and benefits of City employees whose duties are related to administration of the CFD and the fees of consultants, legal counsel, the costs of collecting installments of the Special Taxes, preparation of required reports; and any other costs required to administer the CFD as determined by the City.

"Annexation Group" means a Parcel or group of Parcels that are annexed into the CFD and designated as an Annexation Group by the City Council action ordering annexation. In the event such order does not designate parcels as an Annexation Group, all parcels annexed by the order shall constitute a single Annexation Group.

"Annual Escalation Factor" means the greater of the increase in the annual percentage change in the Consumer Price Index (CPI) for All Urban Consumers for the Los Angeles-Riverside-Orange County Region as published by the Department of Labor's Bureau of Labor Statistics or five percent (5%). If the CPI for the Los Angeles-Riverside-Orange County area is discontinued, the CFD administrator may replace it with a similar index for the purposes of calculating the Annual Escalation Factor.

"Assessor's Parcel" or "Parcel" means a lot or parcel shown on the official map of the Riverside County Assessor designating parcels by assessor's parcel number.

"Building Permit" means a permit issued for new construction of a residential or non-residential structure. For purposes of this definition, "Building Permit" shall not include permits issued solely for grading, utility improvements, or other such improvements that are constructed and installed and are not intended for human occupancy.

“CFD Administrator” means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement and administering the levy and collection of the Special Taxes.

“CFD” means City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services).

“City” means the City of Moreno Valley.

“Fiscal Year” means the period starting July 1 and ending the following June 30.

“Landscaping Area” means the area of landscaping added to the landscaping improvements to be maintained in connection with the CFD and funded by the Special Tax for specified Annexation Group(s).

“Maintenance Ratio” means the ratio derived by:

- (i) taking the square footage of the Landscaping Area associated with an Annexation Group, then
- (ii) dividing the amount from (i) by the number of Taxable Parcel(s) within that Annexation Group. Such amount will be rounded to the nearest whole number.

The Maintenance Ratio represents the number of square feet of landscaping that will be maintained for each taxed parcel.

For example, if an Annexation Group consists of all of the parcels in a new single family residential subdivision consisting of 100 single family residential parcels, and the CFD will fund the maintenance of 15,000 square feet of landscaping in the subdivision, then the Maintenance Ratio for the Annexation Group is 150 (15,000 divided by 100).

“Maximum Special Tax” means the Maximum Special Tax, determined in accordance with Section B below that can be levied in the CFD in any Fiscal Year on any Assessor's Parcel.

“Median” means any landscaped area to be maintained in connection with the CFD that is located between lanes of traffic within the street right-of-way.

“Median-Shared” means any Median that is located in the right-of-way of a street that is bordered on both sides by parcels that are within the CFD (even if such parcels are separated from the right-of-way by a wall, parkway or other improvement).

“Parkway” means any landscaped area, other than a Median, to be maintained in connection with the CFD.

“Property Owner Association Property” means any property within the boundaries of the CFD that is owned by, or irrevocably dedicated as indicated in an instrument recorded with the County Recorder, to a property owner association, including any master or sub-association.

“Proportional Front Foot” means, for a parcel of Taxable Property that is part of an Annexation Group, the result of the following calculation:

- (i) Take the total linear footage adjacent to each street light, Median, or Parkway improvements for all parcels of Taxable Property in that Annexation Group; then,
- (ii) Divide the total linear front footage calculation in step (i) by the total acreage of all Taxable Property in the Annexation Group; then,
- (iii) Multiply the result in step (ii) by the parcel's acreage for which the Proportional Front Foot is being calculated.

This calculation should be done separately with respect to:

- a) Median-Shared improvements
- b) Median improvement other than Median-Shared improvements
- c) Parkway improvements, and/or
- d) Street light improvements

The purpose of this calculation is to determine, based on a parcel's share of the acreage in its Annexation Group, the parcel's “fair share” of the linear footage of improvements maintained in connection with the CFD.

For example: if an Annexation Group consist of 10 acres of Taxable Property and in total 500 linear feet of the frontage of these parcels is adjacent to CFD-Maintained Parkway Improvement, then a 1.5 acre parcel of Taxable Property in that Annexation Group would have 75 Proportional Front Feet of Parkway $((500 / 10) * 1.5)$.

“Proportionately” means with respect to a Tax Rate Area, the ratio of the actual Special Tax levy to the Maximum Special tax is equal for all Assessor's Parcels within the Tax Rate Area.

“Public Property” means any property within the boundaries of the CFD that is owned by or irrevocably offered for dedication to the federal government, the State, the County, the City or any other public agency and is used for public purposes.

“Single-Family Residential” means any Assessors’ Parcel within the CFD for which a Building Permit has been, or is intended to be, issued for purposes of constructing a residential structure consisting of one single-family unit.

“Special Tax” means the Special Tax to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property to fund the Special Tax Requirement, and shall include Special Taxes levied or to be levied under Sections B and C, below.

“Special Tax Requirement” means, for each Tax Rate Area separately, the amount required in any Fiscal Year to: (i) pay for the services financed by the CFD; (ii) pay Administrative Expenses; (iii) pay any amounts required to establish or replenish any Reserve Funds; and (iv) pay for anticipated delinquent Special Taxes (not to exceed 10% of total requirement) less any surplus of funds available from the previous Fiscal Year’s Special Tax levy.

“State” means the State of California.

“Taxable Property” means all of the Assessor’s Parcels within the boundaries of the CFD other than Tax-Exempt Property.

“Tax-Exempt Property” means an Assessor’s Parcel not subject to the Special Tax. Tax-Exempt Property includes: (i) Public Property, (ii) Property Owner Association Property, and (iii) property otherwise exempted by law from the Special Tax.

“Tax Rate Area” means a grouping of parcels that are taxed to fund a specific service. For example, Tax Rate Area No. SL-01 includes all parcels that are taxed for standard residential street lighting services and Tax Rate Area No. LM-01 includes all parcels that are taxed for landscape maintenance services for the public landscaping maintained in connection with Tax Rate Area No. LM-01. Tax Rate Areas may be created from time to time, and each parcel annexed to the CFD shall, at the time it is annexed, be assigned to one or more Tax Rate Area(s) by action of the City Council (with the consent of the property owner or with voter approval).

B. MAXIMUM SPECIAL TAX RATES

Each Tax Rate Area has separate Maximum Special Taxes for Taxable Property. On each July 1 following its indicated “base year”, the Maximum Special Tax for Taxable Property for a Tax Rate Area shall be increased in accordance with the Annual Escalation Factor. No Special Tax shall be levied on Tax-Exempt Property.

1. Tax Rate Area No. SL-01 (Single-Family Residential Street Lighting)

The Maximum Special Tax for Taxable Property in Tax Rate Area No. SL-01 will be \$197.39 per Single-Family Residential Parcel.

The base year for Tax Rate Area No. SL-01 is Fiscal Year 2014/15.

2. Tax Rate Area No. SL-02 (Street Lighting for Property Other than Single-Family Residential)

The Maximum Special Tax for Taxable Property in Tax Rate Area No. SL-02 will be \$3.25 per Proportional Front Foot.

The base year for Tax Rate Area No. SL-02 is Fiscal Year 2014/15.

3. Tax Rate Area No. LM-01 (Single-Family Residential Landscaping)

The Maximum Special Tax for Taxable Property in Tax Rate Area No. LM-01 will be as follows:

Maintenance Category	Maintenance Ratio	Rate per Single-Family Residential Parcel
LM-01A	Less than or equal to 20 square feet per Single-Family Residential Parcel	\$14.19
LM-01B	21 - 40 square feet per Single-Family Residential Parcel	\$42.58
LM-01C	41 - 70 square feet per Single-Family Residential Parcel	\$78.06
LM-01D	71 - 110 square feet per Single-Family Residential Parcel	\$127.73
LM-01E	111 - 160 square feet per Single-Family Residential Parcel	\$191.60
LM-01F	161 - 220 square feet per Single-Family Residential Parcel	\$269.66
LM-01G	221 - 290 square feet per Single-Family Residential Parcel	\$361.91
LM-01H	291 - 370 square feet per Single-Family Residential Parcel	\$468.36
LM-01I	371 - 460 square feet per Single-Family Residential Parcel	\$589.00
LM-01J	461 - 560 square feet per Single-Family Residential Parcel	\$723.83
LM-01K	561 - 670 square feet per Single-Family Residential Parcel	\$872.85
LM-01L	671 - 790 square feet per Single-Family Residential Parcel	\$1,036.07
LM-01M	791 - 920 square feet per Single-Family Residential Parcel	\$1,213.48
LM-01N	921 - 1,060 square feet per Single-Family Residential Parcel	\$1,405.08
LM-01O	1,061 - 1,210 square feet per Single-Family Residential Parcel	\$1,610.87
LM-01P	1,211 - 1,370 square feet per Single-Family Residential Parcel	\$1,830.86
LM-01Q	1,371 - 1,540 square feet per Single-Family Residential Parcel	\$2,065.04
LM-01R	1,541 - 1,720 square feet per Single-Family Residential Parcel	\$2,313.41
LM-01S	1,721 - 1,910 square feet per Single-Family Residential Parcel	\$2,575.98
LM-01T	1,911 - 2,110 square feet per Single-Family Residential Parcel	\$2,852.73

The base year for Tax Rate Area No. LM-01 is Fiscal Year 2014/15.

4. Tax Rate Area No. LM-02 (Landscaping for Property Other than Single-Family Residential)

The Maximum Special Tax for Taxable Property in Tax Rate Area No. LM-02 will be as follows:

Maintenance Category	Maintenance Description	Rate per Proportional Front Foot
LM-02A	Median(s) (other than Medians-Shared)	\$10.94
LM-02B	Median(s)-Shared	\$5.47
LM-02C	Parkway(s)	\$13.48

In the event the Proportional Front Footage for a single Annexation Group contains multiple Maintenance Categories, the Maximum Special Tax for Taxable Property in the Annexation Group will be the sum of the Special Taxes for each applicable Maintenance Category. For example if a parcel has 75 Proportional Front Feet of Parkway (see the example given as part of the definition of "Proportional Front Foot") and 50 Proportional Front Feet of Medians that are not Medians-Shared, that parcel's Maximum Special Tax will be \$1,558 (75 x \$13.48)+(50 x \$10.94).

If, as a result of an annexation, improvements (or portions of improvements) that had been classified in prior fiscal years as "Median" become "Median-Shared" improvements, the proportional front feet associated with those improvements (or portions of improvements) shall be taxed at the LM-02B rate rather than the LM-02A rate.

The base year for Tax Rate Area No. LM-02 is Fiscal Year 2014/15.

C. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

For each Fiscal Year, the CFD Administrator shall, separately within each Tax Rate Area, levy the Special Tax Proportionately on each Assessor's Parcel, whether Developed or Undeveloped, within that Tax Rate Area at up to 100% of the applicable Maximum Special Tax until the amount levied is equal to the Special Tax Requirement assigned to that Tax Rate Area in that Fiscal Year.

D. APPEALS

Any taxpayer that believes that the amount of the Special Tax assigned to a Parcel is in error may file a written notice with the CFD Administrator appealing the levy of the Special Tax. This notice is required to be filed with the CFD Administrator during the Fiscal Year the error is believed to have occurred. The CFD Administrator or its designee will then promptly review the appeal and, if necessary, meet with the taxpayer. If the CFD Administrator verifies that the tax should be changed the Special Tax levy shall be corrected and, if applicable, a refund shall be granted.

The City Council may interpret this Rate and Method of Apportionment for purposes of clarifying any ambiguity and make determinations relative to the annual administration of the Special Tax and any landowner appeals. Any decision of the City Council shall be final and binding as to all persons.

E. MANNER OF COLLECTION

The Special Tax as levied pursuant to Section D above and shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; however, the CFD Administrator may directly bill the Special Tax or collect Special Taxes at a different time, if necessary, to meet the financial obligations of the CFD as otherwise determined appropriate by the CFD Administrator.

The Special Tax shall be subject to the same penalties, procedure, sale, and lien priority in any case of delinquency as applicable for *ad valorem* taxes.

F. PREPAYMENT OF SPECIAL TAX OBLIGATION

The Special Tax may not be prepaid.

G. TERM OF SPECIAL TAX

Taxable Property in the CFD shall remain subject to the Special Tax in perpetuity or until the City Council takes appropriate actions to terminate the Special Tax pursuant to the Act.

H. ANNEXATIONS

It is intended that territory will, from time to time, be annexed to the CFD. Such territory will be assigned to new Tax Rate Areas, existing Tax Rate Areas, or a combination of new and existing Tax Rate Areas. In the event annexed territory is assigned to an existing Tax Rate Area, services (of a nature similar to those already provided in connection with the Tax Rate Area) will be provided to the annexed territory (or public improvements associated with the annexed territory).

I. RESTATEMENT

This document has been amended and restated from its original form. The purpose of restatements is to maintain the clarity of this document over time; to allow the document to be relevant to both existing and newly annexed parcels; and to aid in the efficient administration of the CFD. Amendments, except where approved by the relevant property owners, are not intended to increase the Maximum Special Tax Rate(s) applicable to parcels already a part of the CFD at the time of the amendment. To the extent an amendment inadvertently increases the Maximum Special Tax Rate(s) applicable to a Parcel, the Maximum Special Tax Rate(s) (adjusted by any associated

Annual Escalation Factor) consented to by the owners of that Parcel at the time the Parcel was annexed to the CFD (or the voter-approved Maximum Special Tax Rate(s)) shall apply to that Parcel.

For purposes of the preceding paragraph, with respect to actions that occurred before a Parcel (the "Current Parcel") existed, the owners of the Current Parcel shall be understood to mean the owners of the Parcel that included the territory of the Current Parcel at the time the action occurred.

J. FORMER TAX RATE AREA NO. 1

Note that, beginning with the first amended and restated version of this document, the Tax Rate Area that was designated Tax Rate Area No. 1 in previous versions of this document has been redesignated as Tax Rate Area Nos. LM-01 and SL-01 (the "Successor Areas"). The combined Maximum Special Tax Rates in connection with the Successor Areas with respect to each Assessor's Parcel in former Tax Rate Area No. 1 is equal to the Maximum Special Tax Rate for former Tax Rate Area No. 1 and, together, the Successor Areas fund all services funded by the former Tax Rate Area No. 1. This change was made for administrative convenience and is not intended to increase the tax on the parcels included in former Tax Rate Area No. 1.

K. REVISION TO RATE TABLE FOR TAX RATE AREA NO. LM-01

Note that, beginning with the second amended and restated version of this document, an expanded tax rate table was created for Tax Rate Area No. LM-01. This tax rate table was designed to provide appropriate Maximum Tax Rates for parcels with different Maintenance Ratios.

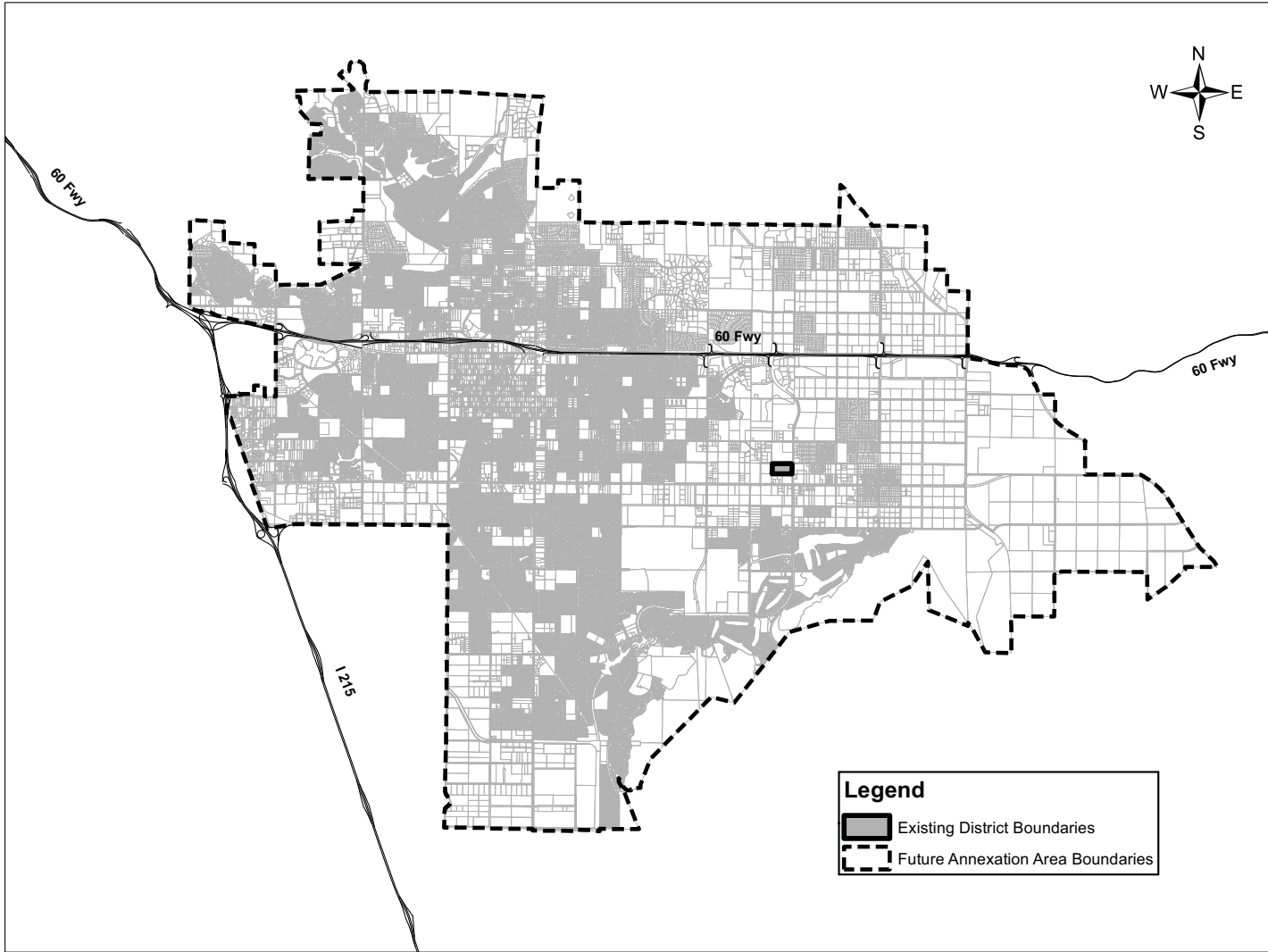
All Taxable Parcels in Tax Rate Area No. LM-01 prior to this amendment were subject to a Base Year 2014/15 Maximum Special Tax of \$468.36 and are part of an Annexation Group with a Maintenance Ratio of 291 - 370 square feet per Single-Family Residential Parcel. This amendment does not change the maximum special tax rate for parcels already in the District. This change is not intended to increase the tax on the parcels included in Tax Rate Area No. LM-01 prior to the amendment.

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**Annexation Map No. 2 of Community Facilities District No. 2014-01 (Maintenance Services) of
City of Moreno Valley, County of Riverside, California**

SHEET 1 OF 1

**(Territory proposed for annexation in the future, with the condition that parcels within that territory may be annexed only with the
unanimous approval of the owner or owners of each parcel or parcels at the time that parcel or those parcels are annexed)**



FILED IN THE OFFICE OF THE CITY CLERK THIS _____ DAY OF _____, 201_____.

CITY CLERK
CITY OF MORENO VALLEY

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2014-01 (MAINTENANCE SERVICES), CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY OF MORENO VALLEY AT A REGULAR MEETING THEREOF, HELD ON THE _____ DAY OF _____, 201_____. BY ITS RESOLUTION NO. _____.

CITY CLERK
CITY OF MORENO VALLEY

FILED THIS _____ DAY OF _____, 201_____, AT THE HOUR OF _____ O'CLOCK _____ M. IN BOOK _____ PAGE(S) _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICT AND INSTRUMENT NO. _____ IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.



COUNTY RECORDER
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA

REFERENCE IS MADE TO THAT BOUNDARY MAP OF THE COMMUNITY FACILITIES DISTRICT NO. 2014-01 (MAINTENANCE SERVICES) OF THE CITY OF MORENO VALLEY RECORDED WITH THE RIVERSIDE COUNTY RECORDER'S OFFICE ON FEBRUARY 20, 2014 IN BOOK 76 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS, PAGE 69 AS INSTRUMENT NO. 2014-0066114.

THE LINES AND DIMENSIONS OF EACH LOT OR PARCEL SHOWN ON THIS DIAGRAM SHALL BE THOSE LINES AND DIMENSIONS AS SHOWN ON THE RIVERSIDE COUNTY ASSESSOR'S MAPS FOR THOSE PARCELS LISTED.

THE RIVERSIDE COUNTY ASSESSOR'S MAPS SHALL GOVERN FOR ALL DETAILS CONCERNING THE LINES AND DIMENSIONS OF SUCH LOTS OR PARCELS.

Legend

-  Existing District Boundaries
-  Future Annexation Area Boundaries

407-

Item No. G.3

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SECOND AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax for the City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services) (the “CFD”) shall be levied on all Assessor's Parcels in the CFD and collected each Fiscal Year in an amount determined by the City through the application of the rate and method of apportionment of the Special Tax set forth below. All of the real property in the CFD, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

“**Act**” means the Mello-Roos Community Facilities Act of 1982 (Government Code Section 53311 *et seq.*).

“**Administrative Expenses**” means the expenses incurred by the City as administrator of the CFD to determine, levy and collect the Special Taxes, including salaries and benefits of City employees whose duties are related to administration of the CFD and the fees of consultants, legal counsel, the costs of collecting installments of the Special Taxes, preparation of required reports; and any other costs required to administer the CFD as determined by the City.

“**Annexation Group**” means a Parcel or group of Parcels that are annexed into the CFD and designated as an Annexation Group by the City Council action ordering annexation. In the event such order does not designate parcels as an Annexation Group, all parcels annexed by the order shall constitute a single Annexation Group.

“**Annual Escalation Factor**” means the greater of the increase in the annual percentage change in the Consumer Price Index (CPI) for All Urban Consumers for the Los Angeles-Riverside-Orange County Region as published by the Department of Labor’s Bureau of Labor Statistics or five percent (5%). If the CPI for the Los Angeles-Riverside-Orange County area is discontinued, the CFD administrator may replace it with a similar index for the purposes of calculating the Annual Escalation Factor.

“**Assessor's Parcel**” or “**Parcel**” means a lot or parcel shown on the official map of the Riverside County Assessor designating parcels by assessor's parcel number.

“**Building Permit**” means a permit issued for new construction of a residential or non-residential structure. For purposes of this definition, “Building Permit” shall not include permits issued solely for grading, utility improvements, or other such improvements that are constructed and installed and are not intended for human occupancy.

“CFD Administrator” means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement and administrating the levy and collection of the Special Taxes.

“CFD” means City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services).

“City” means the City of Moreno Valley.

“Fiscal Year” means the period starting July 1 and ending the following June 30.

“Landscaping Area” means the area of landscaping added to the landscaping improvements to be maintained in connection with the CFD and funded by the Special Tax for specified Annexation Group(s).

“Maintenance Ratio” means the ratio derived by:

- (i) taking the square footage of the Landscaping Area associated with an Annexation Group, then
- (ii) dividing the amount from (i) by the number of Taxable Parcel(s) within that Annexation Group. Such amount will be rounded to the nearest whole number.

The Maintenance Ratio represents the number of square feet of landscaping that will be maintained for each taxed parcel.

For example, if an Annexation Group consists of all of the parcels in a new single family residential subdivision consisting of 100 single family residential parcels, and the CFD will fund the maintenance of 15,000 square feet of landscaping in the subdivision, then the Maintenance Ratio for the Annexation Group is 150 (15,000 divided by 100).

“Maximum Special Tax” means the Maximum Special Tax, determined in accordance with Section B below that can be levied in the CFD in any Fiscal Year on any Assessor's Parcel.

“Median” means any landscaped area to be maintained in connection with the CFD that is located between lanes of traffic within the street right-of-way.

“Median-Shared” means any Median that is located in the right-of-way of a street that is bordered on both sides by parcels that are within the CFD (even if such parcels are separated from the right-of-way by a wall, parkway or other improvement).

“Parkway” means any landscaped area, other than a Median, to be maintained in connection with the CFD.

“Property Owner Association Property” means any property within the boundaries of the CFD that is owned by, or irrevocably dedicated as indicated in an instrument recorded with the County Recorder, to a property owner association, including any master or sub-association.

“Proportional Front Foot” means, for a parcel of Taxable Property that is part of an Annexation Group, the result of the following calculation:

- (i) Take the total linear footage adjacent to each street light, Median, or Parkway improvements for all parcels of Taxable Property in that Annexation Group; then,
- (ii) Divide the total linear front footage calculation in step (i) by the total acreage of all Taxable Property in the Annexation Group; then,
- (iii) Multiply the result in step (ii) by the parcel’s acreage for which the Proportional Front Foot is being calculated.

This calculation should be done separately with respect to:

- a) Median-Shared improvements
- b) Median improvement other than Median-Shared improvements
- c) Parkway improvements, and/or
- d) Street light improvements

The purpose of this calculation is to determine, based on a parcel’s share of the acreage in its Annexation Group, the parcel’s “fair share” of the linear footage of improvements maintained in connection with the CFD.

For example: if an Annexation Group consist of 10 acres of Taxable Property and in total 500 linear feet of the frontage of these parcels is adjacent to CFD-Maintained Parkway Improvement, then a 1.5 acre parcel of Taxable Property in that Annexation Group would have 75 Proportional Front Feet of Parkway $((500 / 10) * 1.5)$.

“Proportionately” means with respect to a Tax Rate Area, the ratio of the actual Special Tax levy to the Maximum Special tax is equal for all Assessor's Parcels within the Tax Rate Area.

“Public Property” means any property within the boundaries of the CFD that is owned by or irrevocably offered for dedication to the federal government, the State, the County, the City or any other public agency and is used for public purposes.

“Single-Family Residential” means any Assessors’ Parcel within the CFD for which a Building Permit has been, or is intended to be, issued for purposes of constructing a residential structure consisting of one single-family unit.

“Special Tax” means the Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Special Tax Requirement, and shall include Special Taxes levied or to be levied under Sections B and C, below.

“Special Tax Requirement” means, for each Tax Rate Area separately, the amount required in any Fiscal Year to: (i) pay for the services financed by the CFD; (ii) pay Administrative Expenses; (iii) pay any amounts required to establish or replenish any Reserve Funds; and (iv) pay for anticipated delinquent Special Taxes (not to exceed 10% of total requirement) less any surplus of funds available from the previous Fiscal Year's Special Tax levy.

“State” means the State of California.

“Taxable Property” means all of the Assessor's Parcels within the boundaries of the CFD other than Tax-Exempt Property.

“Tax-Exempt Property” means an Assessor's Parcel not subject to the Special Tax. Tax-Exempt Property includes: (i) Public Property, (ii) Property Owner Association Property, and (iii) property otherwise exempted by law from the Special Tax.

“Tax Rate Area” means a grouping of parcels that are taxed to fund a specific service. For example, Tax Rate Area No. SL-01 includes all parcels that are taxed for standard residential street lighting services and Tax Rate Area No. LM-01 includes all parcels that are taxed for landscape maintenance services for the public landscaping maintained in connection with Tax Rate Area No. LM-01. Tax Rate Areas may be created from time to time, and each parcel annexed to the CFD shall, at the time it is annexed, be assigned to one or more Tax Rate Area(s) by action of the City Council (with the consent of the property owner or with voter approval).

B. MAXIMUM SPECIAL TAX RATES

Each Tax Rate Area has separate Maximum Special Taxes for Taxable Property. On each July 1 following its indicated “base year”, the Maximum Special Tax for Taxable Property for a Tax Rate Area shall be increased in accordance with the Annual Escalation Factor. No Special Tax shall be levied on Tax-Exempt Property.

1. Tax Rate Area No. SL-01 (Single-Family Residential Street Lighting)

The Maximum Special Tax for Taxable Property in Tax Rate Area No. SL-01 will be \$197.39 per Single-Family Residential Parcel.

The base year for Tax Rate Area No. SL-01 is Fiscal Year 2014/15.

2. Tax Rate Area No. SL-02 (Street Lighting for Property Other than Single-Family Residential)

The Maximum Special Tax for Taxable Property in Tax Rate Area No. SL-02 will be \$3.25 per Proportional Front Foot.

The base year for Tax Rate Area No. SL-02 is Fiscal Year 2014/15.

3. Tax Rate Area No. LM-01 (Single-Family Residential Landscaping)

The Maximum Special Tax for Taxable Property in Tax Rate Area No. LM-01 will be as follows:

Maintenance Category	Maintenance Ratio	Rate per Single-Family Residential Parcel
LM-01A	Less than or equal to 20 square feet per Single-Family Residential Parcel	\$14.19
LM-01B	21 - 40 square feet per Single-Family Residential Parcel	\$42.58
LM-01C	41 - 70 square feet per Single-Family Residential Parcel	\$78.06
LM-01D	71 - 110 square feet per Single-Family Residential Parcel	\$127.73
LM-01E	111 - 160 square feet per Single-Family Residential Parcel	\$191.60
LM-01F	161 - 220 square feet per Single-Family Residential Parcel	\$269.66
LM-01G	221 - 290 square feet per Single-Family Residential Parcel	\$361.91
LM-01H	291 - 370 square feet per Single-Family Residential Parcel	\$468.36
LM-01I	371 - 460 square feet per Single-Family Residential Parcel	\$589.00
LM-01J	461 - 560 square feet per Single-Family Residential Parcel	\$723.83
LM-01K	561 - 670 square feet per Single-Family Residential Parcel	\$872.85
LM-01L	671 - 790 square feet per Single-Family Residential Parcel	\$1,036.07
LM-01M	791 - 920 square feet per Single-Family Residential Parcel	\$1,213.48
LM-01N	921 – 1,060 square feet per Single-Family Residential Parcel	\$1,405.08
LM-01O	1,061 – 1,210 square feet per Single-Family Residential Parcel	\$1,610.87
LM-01P	1,211 – 1,370 square feet per Single-Family Residential Parcel	\$1,830.86
LM-01Q	1,371 – 1,540 square feet per Single-Family Residential Parcel	\$2,065.04
LM-01R	1,541 – 1,720 square feet per Single-Family Residential Parcel	\$2,313.41
LM-01S	1,721 – 1,910 square feet per Single-Family Residential Parcel	\$2,575.98
LM-01T	1,911 – 2,110 square feet per Single-Family Residential Parcel	\$2,852.73

The base year for Tax Rate Area No. LM-01 is Fiscal Year 2014/15.

4. Tax Rate Area No. LM-02 (Landscaping for Property Other than Single-Family Residential)

The Maximum Special Tax for Taxable Property in Tax Rate Area No. LM-02 will be as follows:

Maintenance Category	Maintenance Description	Rate per Proportional Front Foot
LM-02A	Median(s) (other than Medians-Shared)	\$10.94
LM-02B	Median(s)-Shared	\$5.47
LM-02C	Parkway(s)	\$13.48

In the event the Proportional Front Footage for a single Annexation Group contains multiple Maintenance Categories, the Maximum Special Tax for Taxable Property in the Annexation Group will be the sum of the Special Taxes for each applicable Maintenance Category. For example if a parcel has 75 Proportional Front Feet of Parkway (see the example given as part of the definition of “Proportional Front Foot”) and 50 Proportional Front Feet of Medians that are not Medians-Shared, that parcel’s Maximum Special Tax will be \$1,558 (75 x \$13.48)+(50 x \$10.94).

If, as a result of an annexation, improvements (or portions of improvements) that had been classified in prior fiscal years as “Median” become “Median-Shared” improvements, the proportional front feet associated with those improvements (or portions of improvements) shall be taxed at the LM-02B rate rather than the LM-02A rate.

The base year for Tax Rate Area No. LM-02 is Fiscal Year 2014/15.

C. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

For each Fiscal Year, the CFD Administrator shall, separately within each Tax Rate Area, levy the Special Tax Proportionately on each Assessor’s Parcel, whether Developed or Undeveloped, within that Tax Rate Area at up to 100% of the applicable Maximum Special Tax until the amount levied is equal to the Special Tax Requirement assigned to that Tax Rate Area in that Fiscal Year.

D. APPEALS

Any taxpayer that believes that the amount of the Special Tax assigned to a Parcel is in error may file a written notice with the CFD Administrator appealing the levy of the Special Tax. This notice is required to be filed with the CFD Administrator during the Fiscal Year the error is believed to have occurred. The CFD Administrator or its designee will then promptly review the appeal and, if necessary, meet with the taxpayer. If the CFD Administrator verifies that the tax should be changed the Special Tax levy shall be corrected and, if applicable, a refund shall be granted.

The City Council may interpret this Rate and Method of Apportionment for purposes of clarifying any ambiguity and make determinations relative to the annual administration of the Special Tax and any landowner appeals. Any decision of the City Council shall be final and binding as to all persons.

E. MANNER OF COLLECTION

The Special Tax as levied pursuant to Section D above and shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; however, the CFD Administrator may directly bill the Special Tax or collect Special Taxes at a different time, if necessary, to meet the financial obligations of the CFD as otherwise determined appropriate by the CFD Administrator.

The Special Tax shall be subject to the same penalties, procedure, sale, and lien priority in any case of delinquency as applicable for *ad valorem* taxes.

F. PREPAYMENT OF SPECIAL TAX OBLIGATION

The Special Tax may not be prepaid.

G. TERM OF SPECIAL TAX

Taxable Property in the CFD shall remain subject to the Special Tax in perpetuity or until the City Council takes appropriate actions to terminate the Special Tax pursuant to the Act.

H. ANNEXATIONS

It is intended that territory will, from time to time, be annexed to the CFD. Such territory will be assigned to new Tax Rate Areas, existing Tax Rate Areas, or a combination of new and existing Tax Rate Areas. In the event annexed territory is assigned to an existing Tax Rate Area, services (of a nature similar to those already provided in connection with the Tax Rate Area) will be provided to the annexed territory (or public improvements associated with the annexed territory).

I. RESTATEMENT

This document has been amended and restated from its original form. The purpose of restatements is to maintain the clarity of this document over time; to allow the document to be relevant to both existing and newly annexed parcels; and to aid in the efficient administration of the CFD. Amendments, except where approved by the relevant property owners, are not intended to increase the Maximum Special Tax Rate(s) applicable to parcels already a part of the CFD at the time of the amendment. To the extent an amendment inadvertently increases the Maximum Special Tax Rate(s) applicable to a Parcel, the Maximum Special Tax Rate(s) (adjusted by any associated

Annual Escalation Factor) consented to by the owners of that Parcel at the time the Parcel was annexed to the CFD (or the voter-approved Maximum Special Tax Rate(s)) shall apply to that Parcel.

For purposes of the preceding paragraph, with respect to actions that occurred before a Parcel (the "Current Parcel") existed, the owners of the Current Parcel shall be understood to mean the owners of the Parcel that included the territory of the Current Parcel at the time the action occurred.

J. FORMER TAX RATE AREA NO. 1

Note that, beginning with the first amended and restated version of this document, the Tax Rate Area that was designated Tax Rate Area No. 1 in previous versions of this document has been redesignated as Tax Rate Area Nos. LM-01 and SL-01 (the "Successor Areas"). The combined Maximum Special Tax Rates in connection with the Successor Areas with respect to each Assessor's Parcel in former Tax Rate Area No. 1 is equal to the Maximum Special Tax Rate for former Tax Rate Area No. 1 and, together, the Successor Areas fund all services funded by the former Tax Rate Area No. 1. This change was made for administrative convenience and is not intended to increase the tax on the parcels included in former Tax Rate Area No. 1.

K. REVISION TO RATE TABLE FOR TAX RATE AREA NO. LM-01

Note that, beginning with the second amended and restated version of this document, an expanded tax rate table was created for Tax Rate Area No. LM-01. This tax rate table was designed to provide appropriate Maximum Tax Rates for parcels with different Maintenance Ratios.

All Taxable Parcels in Tax Rate Area No. LM-01 prior to this amendment were subject to a Base Year 2014/15 Maximum Special Tax of \$468.36 and are part of an Annexation Group with a Maintenance Ratio of 291 - 370 square feet per Single-Family Residential Parcel. This amendment does not change the maximum special tax rate for parcels already in the District. This change is not intended to increase the tax on the parcels included in Tax Rate Area No. LM-01 prior to the amendment.

FIRSTSECOND AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax for the City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services) (the "CFD") shall be levied on all Assessor's Parcels in the CFD and collected each Fiscal Year in an amount determined by the City through the application of the rate and method of apportionment of the Special Tax set forth below. All of the real property in the CFD, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Act" means the Mello-Roos Community Facilities Act of 1982 (Government Code Section 53311 *et seq*).

"Administrative Expenses" means the expenses incurred by the City as administrator of the CFD to determine, levy and collect the Special Taxes, including salaries and benefits of City employees whose duties are related to administration of the CFD and the fees of consultants, legal counsel, the costs of collecting installments of the Special Taxes, preparation of required reports; and any other costs required to administer the CFD as determined by the City.

"Annexation Group" means a Parcel or group of Parcels that are annexed into the CFD and designated as an Annexation Group by the City Council action ordering annexation. In the event such order does not designate parcels as an Annexation Group, all parcels annexed by the order shall constitute a single Annexation Group.

"Annual Escalation Factor" means the greater of the increase in the annual percentage change in the Consumer Price Index (CPI) for All Urban Consumers for the Los Angeles-Riverside-Orange County Region as published by the Department of Labor's Bureau of Labor Statistics or five percent (5%). If the CPI for the Los Angeles-Riverside-Orange County area is discontinued, the CFD administrator may replace it with a similar index for the purposes of calculating the Annual Escalation Factor.

"Assessor's Parcel" or "Parcel" means a lot or parcel shown on the official map of the Riverside County Assessor designating parcels by assessor's parcel number.

"Building Permit" means a permit issued for new construction of a residential or non-residential structure. For purposes of this definition, "Building Permit" shall not include permits issued solely for grading, utility improvements, or other such improvements that are constructed and installed and are not intended for human occupancy.

“CFD Administrator” means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement and administering the levy and collection of the Special Taxes.

“CFD” means City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services).

“City” means the City of Moreno Valley.

“Fiscal Year” means the period starting July 1 and ending the following June 30.

~~**“Lot”** means property within a recorded Final Map, which is identified by a lot number for which a building permit could be issued.~~

“Landscaping Area” means the area of landscaping added to the landscaping improvements to be maintained in connection with the CFD and funded by the Special Tax for specified Annexation Group(s).

“Maintenance Ratio” means the ratio derived by:

- (i) taking the square footage of the Landscaping Area associated with an Annexation Group, then
- (ii) dividing the amount from (i) by the number of Taxable Parcel(s) within that Annexation Group. Such amount will be rounded to the nearest whole number.

The Maintenance Ratio represents the number of square feet of landscaping that will be maintained for each taxed parcel.

For example, if an Annexation Group consists of all of the parcels in a new single family residential subdivision consisting of 100 single family residential parcels, and the CFD will fund the maintenance of 15,000 square feet of landscaping in the subdivision, then the Maintenance Ratio for the Annexation Group is 150 (15,000 divided by 100).

“Maximum Special Tax” means the Maximum Special Tax, determined in accordance with Section CB below that can be levied in the CFD in any Fiscal Year on any Assessor's Parcel.

“Median” means any landscaped area to be maintained in connection with the CFD that is located between lanes of traffic within the street right-of-way.

“Median-Shared” means any Median that is located in the right-of-way of a street that is bordered on both sides by parcels that are within the CFD (even if such parcels are separated from the right-of-way by a wall, parkway or other improvement).

“Parkway” means any landscaped area, other than a Median, to be maintained in connection with the CFD.

“Property Owner Association Property” means any property within the boundaries of the CFD that is owned by, or irrevocably dedicated as indicated in an instrument recorded with the County Recorder, to a property owner association, including any master or sub-association.

“Proportional Front Foot” means, for a parcel of Taxable Property that is part of an Annexation Group, the result of the following calculation:

- (i) Take the total linear footage adjacent to each street light, Median, or Parkway improvements for all parcels of Taxable Property in that Annexation Group; then,
- (ii) Divide the total linear front footage calculation in step (i) by the total acreage of all Taxable Property in the Annexation Group; then,
- (iii) Multiply the result in step (ii) by the parcel’s acreage for which the Proportional Front Foot is being calculated.

This calculation should be done separately with respect to:

- a) Median-Shared improvements
- b) Median improvement other than Median-Shared improvements
- c) Parkway improvements, and/or
- d) Street light improvements

The purpose of this calculation is to determine, based on a parcel’s share of the acreage in its Annexation Group, the parcel’s “fair share” of the linear footage of improvements maintained in connection with the CFD.

For example: if an Annexation Group consist of 10 acres of Taxable Property and in total 500 linear feet of the frontage of these parcels is adjacent to CFD-Maintained Parkway Improvement, then a 1.5 acre parcel of Taxable Property in that Annexation Group would have 75 Proportional Front Feet of Parkway $((500 / 10) * 1.5)$.

“Proportionately” means ~~in a manner such that~~ with respect to a Tax Rate Area, the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels within each Land Use Class within each Tax Rate Area.

“Public Property” means any property within the boundaries of the CFD that is owned by or irrevocably offered for dedication to the federal government, the State, the County, the City or any other public agency and is used for public purposes.

“Single-Family Residential” means any Assessors’ Parcel within the CFD for which a Building Permit has been, or is intended to be, issued for purposes of constructing a residential structure consisting of one single-family unit.

“Special Tax” means the Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Special Tax Requirement, and shall include Special Taxes levied or to be levied under Sections ~~CB~~ and ~~DC~~, below.

“Special Tax Requirement” means, for each Tax Rate Area separately, the amount required in any Fiscal Year to: (i) pay for the services financed by the CFD; (ii) pay Administrative Expenses; (iii) pay any amounts required to establish or replenish any Reserve Funds; and (iv) pay for anticipated delinquent Special Taxes (not to exceed 10% of total requirement) less any surplus of funds available from the previous Fiscal Year's Special Tax levy.

“State” means the State of California.

“Taxable Property” means all of the Assessor's Parcels within the boundaries of the CFD other than ~~Public Property, Property Owner Association Property, or property exempted by law from the Special Tax~~ Tax-Exempt Property.

“Tax-Exempt Property” means an Assessor's Parcel not subject to the Special Tax. Tax-Exempt Property includes: (i) Public Property, (ii) Property Owner Association Property, and (iii) property ~~owned in common~~ otherwise exempted by law from the Special Tax.

“Tax Rate Area” means a grouping of parcels that are taxed to fund a specific service. For example, Tax Rate Area No. SL-01 includes all parcels that are taxed for standard residential street lighting services and Tax Rate Area No. LM-01 includes all parcels that are taxed for landscape maintenance services for the public landscaping maintained in connection with Tax Rate Area No. LM-01. Tax Rate Areas may be created from time to time, and each parcel annexed to the CFD shall, at the time it is annexed, be assigned to one or more Tax Rate Area(s) by action of the City Council (with the consent of the property owner or with voter approval).

B. MAXIMUM SPECIAL TAX RATES

Each Tax Rate Area has ~~a~~ separate Maximum Special ~~Tax~~ Taxes for Taxable Property. On each July 1 following its indicated “base year”, the Maximum Special Tax for

Taxable Property for a Tax Rate Area shall be increased in accordance with the Annual Escalation Factor. No Special Tax shall be levied on Tax-Exempt Property.

1. Tax Rate Area No. ~~LM-01 (Residential Landscaping)~~

~~The Maximum Special Tax for Taxable Property in Tax Rate Area No. LM-01 will be \$468.36 per Lot. The base year for Tax Rate Area No. LM-01 is Fiscal Year 2014/15.~~

2. ~~Tax Rate Area No. SL-01 (Single-Family Residential Street Lighting)~~

~~The Maximum Special Tax for Taxable Property in Tax Rate Area No. SL-01 will be \$197.39 per Lot. Single-Family Residential Parcel. The base year for Tax Rate Area No. SL-01 is Fiscal Year 2015/16.~~

The base year for Tax Rate Area No. SL-01 is Fiscal Year 2014/15.

3. Tax Rate Area No. SL-02 (Street Lighting for Property Other than Single-Family Residential)

The Maximum Special Tax for Taxable Property in Tax Rate Area No. SL-02 will be \$3.25 per Proportional Front Foot.

The base year for Tax Rate Area No. SL-02 is Fiscal Year 2014/15.

4. Tax Rate Area No. LM-01 (Single-Family Residential Landscaping)

The Maximum Special Tax for Taxable Property in Tax Rate Area No. LM-01 will be as follows:

<u>Maintenance Category</u>	<u>Maintenance Ratio</u>	<u>Rate per Single-Family Residential Parcel</u>
<u>LM-01A</u>	<u>Less than or equal to 20 square feet per Single-Family Residential Parcel</u>	<u>\$14.19</u>
<u>LM-01B</u>	<u>21 - 40 square feet per Single-Family Residential Parcel</u>	<u>\$42.58</u>
<u>LM-01C</u>	<u>41 - 70 square feet per Single-Family Residential Parcel</u>	<u>\$78.06</u>
<u>LM-01D</u>	<u>71 - 110 square feet per Single-Family Residential Parcel</u>	<u>\$127.73</u>
<u>LM-01E</u>	<u>111 - 160 square feet per Single-Family Residential Parcel</u>	<u>\$191.60</u>
<u>LM-01F</u>	<u>161 - 220 square feet per Single-Family Residential Parcel</u>	<u>\$269.66</u>
<u>LM-01G</u>	<u>221 - 290 square feet per Single-Family Residential Parcel</u>	<u>\$361.91</u>
<u>LM-01H</u>	<u>291 - 370 square feet per Single-Family Residential Parcel</u>	<u>\$468.36</u>
<u>LM-01I</u>	<u>371 - 460 square feet per Single-Family Residential Parcel</u>	<u>\$589.00</u>
<u>LM-01J</u>	<u>461 - 560 square feet per Single-Family Residential Parcel</u>	<u>\$723.83</u>
<u>LM-01K</u>	<u>561 - 670 square feet per Single-Family Residential Parcel</u>	<u>\$872.85</u>

<u>Maintenance Category</u>	<u>Maintenance Ratio</u>	<u>Rate per Single-Family Residential Parcel</u>
<u>LM-01L</u>	<u>671 - 790 square feet per Single-Family Residential Parcel</u>	<u>\$1,036.07</u>
<u>LM-01M</u>	<u>791 - 920 square feet per Single-Family Residential Parcel</u>	<u>\$1,213.48</u>
<u>LM-01N</u>	<u>921 – 1,060 square feet per Single-Family Residential Parcel</u>	<u>\$1,405.08</u>
<u>LM-01O</u>	<u>1,061 – 1,210 square feet per Single-Family Residential Parcel</u>	<u>\$1,610.87</u>
<u>LM-01P</u>	<u>1,211 – 1,370 square feet per Single-Family Residential Parcel</u>	<u>\$1,830.86</u>
<u>LM-01Q</u>	<u>1,371 – 1,540 square feet per Single-Family Residential Parcel</u>	<u>\$2,065.04</u>
<u>LM-01R</u>	<u>1,541 – 1,720 square feet per Single-Family Residential Parcel</u>	<u>\$2,313.41</u>
<u>LM-01S</u>	<u>1,721 – 1,910 square feet per Single-Family Residential Parcel</u>	<u>\$2,575.98</u>
<u>LM-01T</u>	<u>1,911 – 2,110 square feet per Single-Family Residential Parcel</u>	<u>\$2,852.73</u>

The base year for Tax Rate Area No. LM-01 is Fiscal Year 2014/15.

5. Tax Rate Area No. LM-02 (Landscaping for Property Other than Single-Family Residential)

The Maximum Special Tax for Taxable Property in Tax Rate Area No. LM-02 will be as follows:

<u>Maintenance Category</u>	<u>Maintenance Description</u>	<u>Rate per Proportional Front Foot</u>
<u>LM-02A</u>	<u>Median(s) (other than Medians-Shared)</u>	<u>\$10.94</u>
<u>LM-02B</u>	<u>Median(s)-Shared</u>	<u>\$5.47</u>
<u>LM-02C</u>	<u>Parkway(s)</u>	<u>\$13.48</u>

In the event the Proportional Front Footage for a single Annexation Group contains multiple Maintenance Categories, the Maximum Special Tax for Taxable Property in the Annexation Group will be the sum of the Special Taxes for each applicable Maintenance Category. For example if a parcel has 75 Proportional Front Feet of Parkway (see the example given as part of the definition of “Proportional Front Foot”) and 50 Proportional Front Feet of Medians that are not Medians-Shared, that parcel’s Maximum Special Tax will be \$1,558 (75 x \$13.48)+(50 x \$10.94).

If, as a result of an annexation, improvements (or portions of improvements) that had been classified in prior fiscal years as “Median” become “Median-Shared” improvements, the proportional front feet associated with those improvements (or portions of improvements) shall be taxed at the LM-02B rate rather than the LM-02A rate.

The base year for Tax Rate Area No. LM-02 is Fiscal Year 2014/15.

C. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

For each Fiscal Year, the CFD Administrator shall, separately within each Tax Rate Area, levy the Special Tax Proportionately on each Assessor's Parcel, whether Developed or Undeveloped, within that Tax Rate Area at up to 100% of the applicable Maximum Special Tax until the amount levied is equal to the Special Tax Requirement assigned to that Tax Rate Area in that Fiscal Year.

D. APPEALS

Any taxpayer that believes that the amount of the Special Tax assigned to a Parcel is in error may file a written notice with the CFD Administrator appealing the levy of the Special Tax. This notice is required to be filed with the CFD Administrator during the Fiscal Year the error is believed to have occurred. The CFD Administrator or its designee will then promptly review the appeal and, if necessary, meet with the taxpayer. If the CFD Administrator verifies that the tax should be changed the Special Tax levy shall be corrected and, if applicable, a refund shall be granted.

The City Council may interpret this Rate and Method of Apportionment for purposes of clarifying any ambiguity and make determinations relative to the annual administration of the Special Tax and any landowner appeals. Any decision of the City Council shall be final and binding as to all persons.

E. MANNER OF COLLECTION

The Special Tax as levied pursuant to Section D above and shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; however, the CFD Administrator may directly bill the Special Tax or collect Special Taxes at a different time, if necessary, to meet the financial obligations of the CFD as otherwise determined appropriate by the CFD Administrator.

The Special Tax shall be subject to the same penalties, procedure, sale, and lien priority in any case of delinquency as applicable for *ad valorem* taxes.

F. PREPAYMENT OF SPECIAL TAX OBLIGATION

The Special Tax may not be prepaid.

G. TERM OF SPECIAL TAX

Taxable Property in the CFD shall remain subject to the Special Tax in perpetuity or until the City Council takes appropriate actions to terminate the Special Tax pursuant to the Act.

H. ANNEXATIONS

It is intended that territory will, from time to time, be annexed to the CFD. Such territory will be assigned to new Tax Rate Areas, existing Tax Rate Areas, or a combination of new and existing Tax Rate Areas. In the event annexed territory is assigned to an existing Tax Rate Area, services (of a nature similar to those already provided in connection with the Tax Rate Area) will be provided to the annexed territory (or public improvements associated with the annexed territory).

I. RESTATEMENT

This document has been amended and restated from its original form. The purpose of restatements is to maintain the clarity of this document over time; to allow the document to be relevant to both existing and newly annexed parcels; and to aid in the efficient administration of the CFD. Amendments, except where approved by the relevant property owners, are not intended to increase the Maximum Special Tax Rate(s) applicable to parcels already a part of the CFD at the time of the amendment. To the extent an amendment inadvertently increases the Maximum Special Tax Rate(s) applicable to a Parcel, the Maximum Special Tax Rate(s) (adjusted by any associated Annual Escalation Factor) consented to by the owners of that Parcel at the time the Parcel was annexed to the CFD (or the voter-approved Maximum Special Tax Rate(s)) shall apply to that Parcel.

For purposes of the preceding paragraph, with respect to actions that occurred before a Parcel (the "Current Parcel") existed, the owners of the Current Parcel shall be understood to mean the owners of the Parcel that included the territory of the Current Parcel at the time the action occurred.

J. FORMER TAX RATE AREA NO. 1

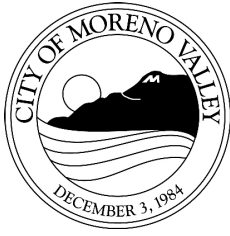
Note that, beginning with the first amended and restated version of this document, the Tax Rate Area that was designated Tax Rate Area No. 1 in previous versions of this document has been redesignated as Tax Rate Area Nos. LM-01 and SL-01 (the "Successor Areas"). The combined Maximum Special Tax Rates ~~of~~ in connection with the Successor Areas with respect to each Assessor's Parcel in former Tax Rate Area No. 1 is equal to the Maximum Special Tax Rate for former Tax Rate Area No. 1 and, together, the Successor Areas fund all services funded by the former Tax Rate Area No. 1. This change was made for administrative convenience and is not intended to increase the tax on the parcels included in former Tax Rate Area No. 1.

K. REVISION TO RATE TABLE FOR TAX RATE AREA NO. LM-01

Note that, beginning with the second amended and restated version of this document, an expanded tax rate table was created for Tax Rate Area No. LM-01. This tax rate table was designed to provide appropriate Maximum Tax Rates for parcels with different Maintenance Ratios.

All Taxable Parcels in Tax Rate Area No. LM-01 prior to this amendment were subject to a Base Year 2014/15 Maximum Special Tax of \$468.36 and are part of an Annexation Group with a Maintenance Ratio of 291 - 370 square feet per Single-Family Residential Parcel. This amendment does not change the maximum special tax rate for parcels already in the District. This change is not intended to increase the tax on the parcels included in Tax Rate Area No. LM-01 prior to the amendment.

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>d</i>

Report to City Council

TO: Mayor and City Council

FROM: Michelle Dawson, City Manager
Richard Teichert, Chief Financial Officer

AGENDA DATE: December 9, 2014

TITLE: FISCAL YEAR 2013/14 YEAR-END BUDGET REVIEW AND
FISCAL YEAR 2014/15 FIRST QUARTER BUDGET REVIEW

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Receive and file the Fiscal Year 2013/14 year-end budget review
2. Receive and file the Fiscal Year 2014/15 first quarter budget review
3. Approve the Position Control Roster. Specific positions are discussed within this staff report and listed on Attachment 3 to this staff report.

DISCUSSION

On June 11, 2013, the City Council adopted the Two-Year Operating Budget for Fiscal Years (FY) 2013/14 – 2014/15. The budget included all component units of the City, including the General Fund, Community Services District and Successor Agency. During the course of the current two-year budget period, the City Council will be apprised of the City's financial condition through the process of First Quarter and Mid-Year Budget Reviews. These reports are typically provided to the City Council in December and March, respectively. This ongoing process provides a forum to review expenditure and revenue deviations from the estimates made in the budget document.

The attached Financial Summaries for FY 2013/14 Year-End and FY 2014/15 First Quarter focus on the City's General Fund. The reports also present operational results for the Community Services District (CSD) and the Moreno Valley Utility (MVU).

The following are the key findings noted in the Financial Summaries.

Fiscal Year 2013/14 Year-End:

- The first year of the two-year General Fund budget not only balanced but resulted in a positive change in fund balance in excess of \$6 million.
- General Fund revenues of \$82,042,808 exceeded the budget by 4% (\$3,095,038)
 - The City received \$1 million more in property tax than budgeted. This is primarily attributed to the reassessments of property assessment appeals by the County and the redistribution of redevelopment property taxes.
 - Sales tax was projected to grow significantly due to the recovering economy, and we budgeted an almost 11% increase over the previous FY. Sales tax collected was \$317,000 higher than budgeted.
 - Transient Occupancy (hotel) Tax and Business Taxes exceeded budgets by approximately 20% (\$528,000) largely due to the recovering economy and new businesses.
 - Revenues from licenses and permits were \$400,000 higher than budgeted. The growth was primarily due to an increase in building permits.
 - Development activity also positively impacted the Charges for Services revenues as the City realized a \$671,300 increase over budget.
 - Lower than anticipated natural gas prices and competitive forces within the communications market resulted in a \$518,000 negative variance in budgeted utility tax revenues.
- General Fund expenditures of \$75,732,346 were 4% (\$3,048,213) lower than budgeted.
 - Police and Fire Services came in under budget by \$2.4 million.
 - City staff continues to operate very efficiently and respectful of the ongoing need for fiscal responsibility. The majority of departments achieved savings for the FY.
- Total fund balance at year end for the General Fund increased from \$34.4 million in FY 12/13 to \$40.5 million in FY 13/14. This represents an 18% increase.

Fiscal Year 2014/15 First Quarter:

- After one quarter (25%) of the FY, the City had collected 9.4% of budgeted revenues and spent 23.6% of budgeted expenditures.
 - Major revenues such as property tax do not occur in the first quarter.
 - Both revenues and expenditures are in line with projections.
- There are no significant variances to report.

Position Control Actions

The Position Control Roster approved by the City Council serves as an important internal control tool for City Council to establish authorized positions for the City while enabling staff to manage within the authorized and funded approved positions. Position Control addresses career authorized positions and does not include temporary positions. As a result of operational changes, some positions are being requested to be adjusted based on current and projected demands for those positions.

The Maintenance and Operations Division of the Public Works Department is requesting to change 9 part-time Maintenance Worker positions into 6 full-time positions. Three of these part-time positions are currently vacant and the proposal would eliminate the vacant positions and convert them into full-time positions. This adjustment will allow for increased services, while not requiring any increase in the budget.

ALTERNATIVES

1. Receive and file the Fiscal Year 2013/14 year-end budget review and Fiscal Year 2014/15 first quarter budget review; and
2. Approve the Position Control Roster. Specific positions are discussed within this staff report and listed on Attachment 3 to this staff report.
3. Do not receive and file the budget review documents and position control roster.

Staff recommends Alternatives 1 and 2.

FISCAL IMPACT

There is no fiscal impact. The budget review reports are provided for informational purposes only and the requested position control changes are cost neutral.

CITY COUNCIL GOALS

Revenue Diversification and Preservation. Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

NOTIFICATION

Publication of the agenda.

ATTACHMENTS

Attachment 1: FY 2013/14 Year-End Budget Review

Attachment 2: FY 2014/15 First Quarter Budget review

Attachment 3: Position Control Roster

Prepared By:
Marshall Eyerman
Financial Resources Division Manager

Department Head Approval:
Richard Teichert
Chief Financial Officer



City of Moreno Valley Fiscal Year 2013/14 Year-End Financial Summary

TO: Mayor and City Council

FROM: Richard Teichert, Chief Financial Officer

DATE: December 9, 2014

INTRODUCTION

The City Council approved a Two-Year Operating Budget on June 11, 2013 for the Fiscal Years (FY) 2013/14 and 2014/15. The Operating Budget was amended through the fiscal year through separate Council actions. The budget included all component units of the City, including the General Fund, Community Services District and Successor Agency.

The prior two-year budget for FY 2011/12 and 2012/13 was based on the concept of implementing a previously approved three-year Deficit Elimination Plan (DEP). The DEP envisioned a strategic process of expenditure reductions that would occur in a phased manner as revenue sources stabilized. The goal was to create a stabilized budget by FY 2013/14. As adopted in May, 2011, the DEP focused on elimination of a \$14.2 million deficit that existed in the City's General Fund. Although successful in significantly reducing the deficit and slowing its growth, the goal of deficit elimination had not been fully realized through implementation of the DEP.

In charting a new fiscal course for the City, the City Council directed that the budget be fully balanced in FY 2013/14. This goal was achieved in the adopted budget but with significant consequences. By far, the majority of the reductions were in public safety services. This was necessary as Police and Fire represented approximately 72% of the General Fund. With an approx. 50% reduction to non-public safety personnel and operational budgets as part of the DEP implementation, there were few options to attain the amount of reductions required without making large cuts in public safety. In the case of Police there was a reduction of 27 sworn personnel in FY 2013/14. This reduced the number of sworn personnel from 181 to 154. The impacts resulted in reductions to the special team forces that address issues such as traffic, gangs, narcotics and specialized detective activities. In the case of Fire, the major impact was the defunding of Truck 91 during FY 2013/14. This resulted in the reduction of 8 fire personnel.

This report provides a review of the unaudited financial results for the recently completed FY 2013/14 Year-End (July 2013 – June 2014, 100% of the fiscal year).

CITYWIDE OPERATING EXPENDITURE SUMMARY

The following table contains a summary of the amended budget and the year-end expenditures. The totals represent each major fund type and component unit of the City.

Table 1. Citywide Operating Expenditures

Fund/Component Unit	FY 2013/14 Amended Budget	Actuals as of 6/30/2014 (unaudited)	% of Amended Budget
General Fund	\$ 78,780,559	\$ 75,732,346	96.1%
Community Services District (CSD)	19,663,630	18,089,007	92.0%
Successor Agency	6,520,345	41,087,431	630.1% ⁽¹⁾
Housing Fund	-	56,016	-
Special Revenue Funds	36,312,563	28,469,191	78.4%
Capital Projects Funds	8,369,468	8,421,153	100.6%
Electric Utility Funds	19,595,868	20,801,308	106.2%
Internal Service Funds	18,346,288	14,435,617	78.7%
Debt Service Funds	32,468,043	29,465,104	90.8%
Total	\$ 220,056,764	\$ 236,557,172	107.5%

(1) Includes the final transfer of assets from the former Redevelopment Agency to the City.

The City Council adopts the budget at a fund level. Throughout the fiscal year, amendments to the budget are presented to the City Council primarily during the mid-year budget adjustments and the approval of the prior fiscal year carry overs. Additionally, as grants or other funds are received during the fiscal year, actions may be taken by Council to approve both the expenditures and offsetting revenues.

The majority of this year-end update will focus on the General Fund, as it supports all basic services provided to City residents. Highlights for other key component funds will be discussed at a summary level as well.

GENERAL FUND OPERATING

Table 2. General Fund Operations

	FY 2013/14 Amended Budget	Actuals as of 6/30/2014 (unaudited)	% of Amended Budget
Revenues:			
Taxes:			
Property Tax	\$ 9,647,100	\$ 10,668,782	110.6%
Property Tax in-lieu	13,840,000	13,871,754	100.2%
Utility Users Tax	16,114,000	15,595,141	96.8%
Sales Tax	15,570,000	15,887,130	102.0%
Other Taxes	7,965,000	8,576,927	107.7%
Licenses & Permits	1,764,000	2,164,752	122.7%
Intergovernmental	235,000	311,510	132.6%
Charges for Services	9,224,707	9,896,025	107.3%
Use of Money & Property	2,688,000	2,836,585	105.5%
Fines & Forfeitures	601,500	577,961	96.1%
Miscellaneous	51,400	492,820	958.8%
Total Revenues	\$ 77,700,707	\$ 80,879,386	104.1%
Expenditures:			
Personnel Services	14,748,233	13,928,293	94.4%
Contractual Services	53,950,430	50,349,793	93.3%
Material & Supplies	1,146,214	923,151	80.5%
General Government	-	-	-
Debt Service	-	-	-
Fixed Charges	6,360,255	7,955,737	125.1%
Fixed Assets	-	-	-
Total Expenditures	\$ 76,205,132	\$ 73,156,973	96.0%
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	1,495,575	7,722,413	
Transfers:			
Transfers In	1,247,063	1,163,421	93.3%
Transfers Out	2,575,427	2,575,372	100.0%
Net Transfers	\$ (1,328,364)	\$ (1,411,951)	
Total Revenues & Transfers In	78,947,770	82,042,808	103.9%
Total Expenditures & Transfers Out	78,780,559	75,732,346	96.1%
Net Change of Fund Balance	\$ 167,211	\$ 6,310,462	(1,2)

(1) Revenues exceed the budget by 4% while expenditures were under budget by 4%. The net result is \$6.3 million in one-time savings to the General Fund.

(2) Approximately \$2 million of the \$6.3 million shall be identified as Unassigned fund balance.

General Fund Operating Revenues

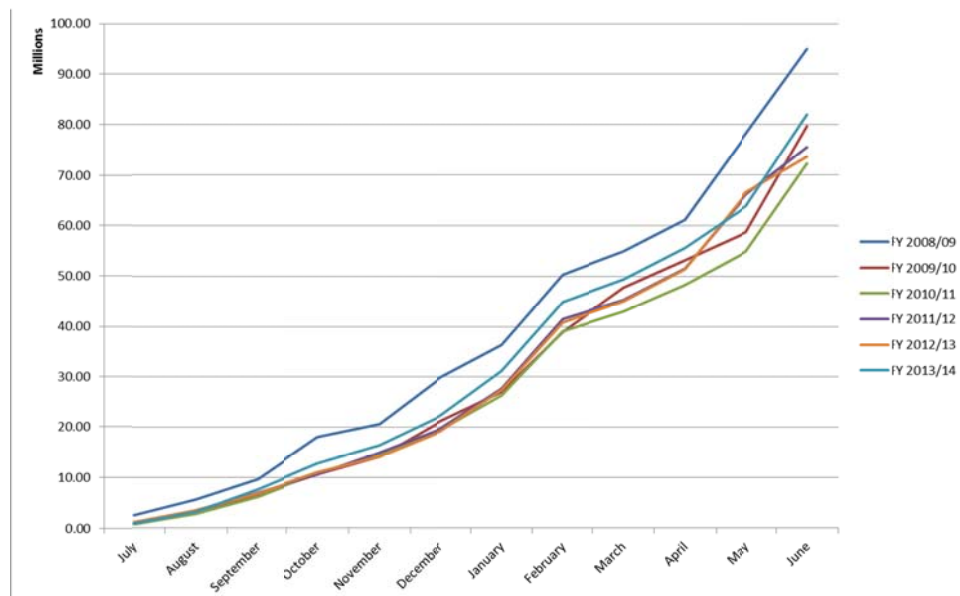
The General Fund is comprised of several revenue types. However, the main sources include property tax, utility users tax, and sales tax. Each of these are affected by different economic activity cycles and pressures.

Table 3. General Fund Operating Revenues

	FY 2013/14 Amended Budget	Actuals as of 6/30/2014 (unaudited)	% of Amended Budget
Revenues:			
Taxes:			
Property Tax	\$ 9,647,100	\$ 10,668,782	110.6%
Property Tax in-lieu	13,840,000	13,871,754	100.2%
Utility Users Tax	16,114,000	15,595,141	96.8%
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Licenses & Permits	1,764,000	2,164,752	122.7%
Intergovernmental	235,000	311,510	132.6%
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Use of Money & Property	2,688,000	2,836,585	105.5%
Fines & Forfeitures	601,500	577,961	96.1%
Miscellaneous	51,400	492,820	958.8%
Transfers In	1,247,063	1,163,421	93.3%
Total Revenues	\$ 78,947,770	\$ 82,042,808	103.9%

The following chart represents a graphical representation comparing total General Fund year-end revenue collections, over a six year period.

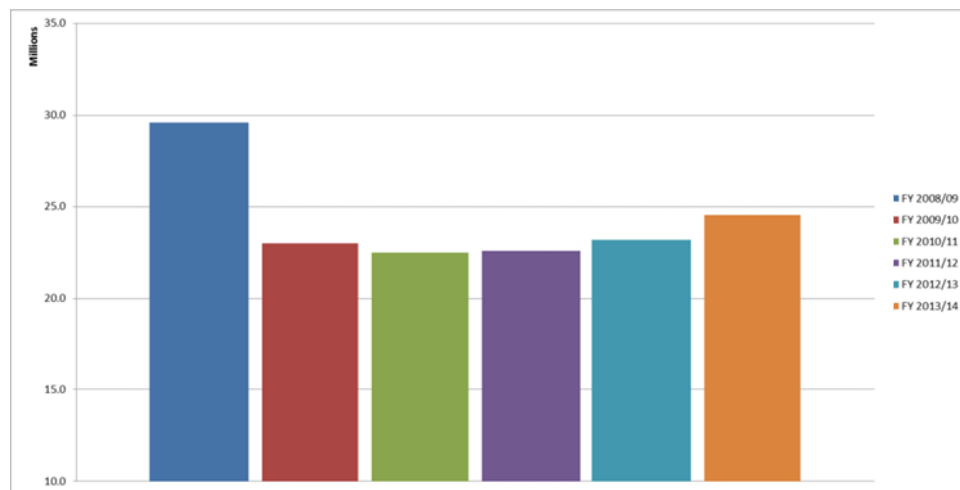
Chart 1. General Fund Operating Revenue Trends



Property Taxes/Property Taxes In-Lieu

Property taxes were budgeted to increase by 1.3% from the FY 2012/13. Actual taxes came in within 4.5% of the budget amount. The variance is attributed primarily to the redistribution of prior redevelopment property taxes as a result of the dissolution of the former Redevelopment Agency along with the reassessment of property values by the County Assessor-Recorder to the prior Proposition 8 temporary property tax assessment appeals. Property taxes will continue to be monitored in future fiscal years as assessment appeals may continue to be filed with the County.

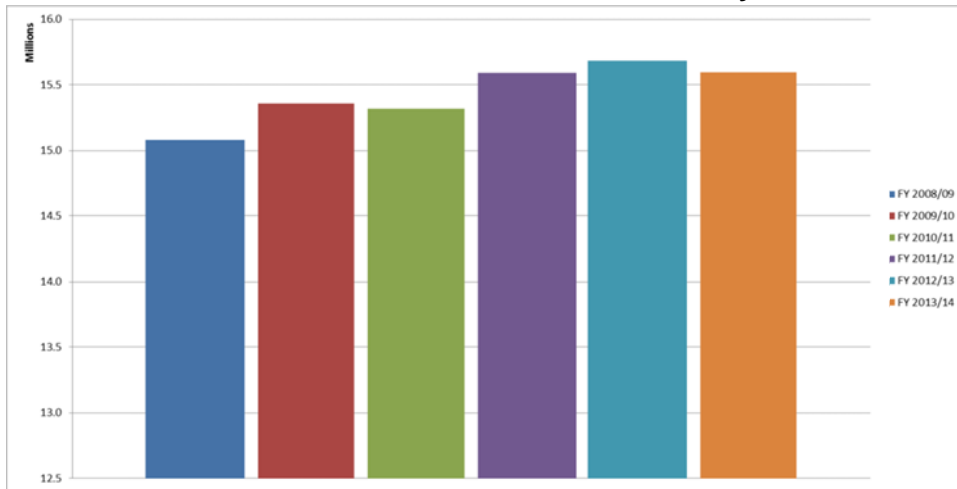
Chart 2. General Fund Revenue Trend – Property Taxes



Utility Users Tax

Utility Users taxes (UUT) were budgeted to increase 2.7% from FY 2012/13 to FY 2013/14. However, the UUT slightly decreased from the prior year actual, reducing by approximately (\$88,790) or only about 0.6%. This shortfall is primarily due to competitive forces within the communications markets. Both the wireless and wired markets experienced downturns year over year. For the wireless market this is the third consecutive year of decline. Based on our discussions with utility tax experts there are a couple of causes for this trend. First is competition and bundling practices within the market as more small players continue to join the market. Second is the migration of customers from contract plans to prepaid plans. Currently there is no method within the State to capture UUT related to prepaid wireless plans. There is currently legislation in Sacramento trying to address this and close that gap.

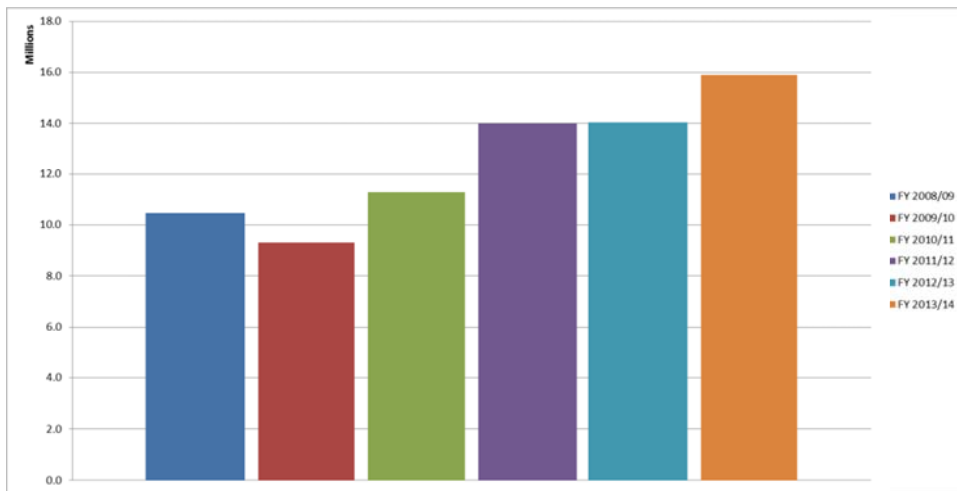
Chart 3. General Fund Revenue Trend – Utility Users Taxes



Sales Taxes

Sales taxes were anticipated to grow significantly and were budgeted to increase 10.9% from FY 2012/13 to FY 2013/14. Based on a recovering economy, sales taxes grew to \$15.9 million and exceeded the budget by \$300,000. Sales tax receipts will need to be continually monitored through the next year to determine if current trends will begin to plateau or begin to decrease.

Chart 4. General Fund Revenue Trend – Sales Taxes

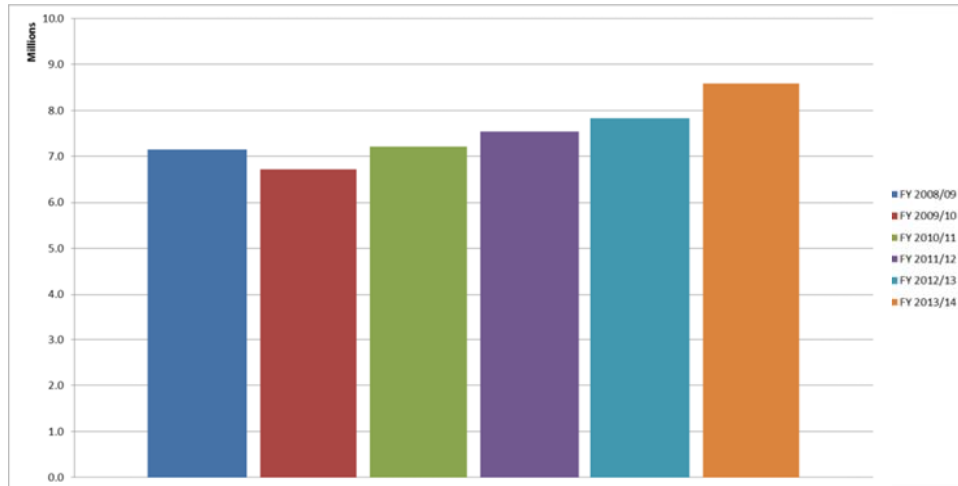


Other Taxes

Transient Occupancy Tax (TOT) and Business Taxes both exceeded budgets by approximately 20% or \$528,000 due primarily to some areas of recovery in the economy and new businesses that began operating in the City. Documentary Transfer Tax fell below the budget by 6.8%, or \$33,000, due to lower than expected real estate sales within the City. Franchise Fees were below the budget by 2.1%, or \$116,500, due to the continued decline in natural gas prices. We are also noticing a shift in activity between the cable providers and will need to monitor this in the future to see if subscribers transition from cable television services to satellite television

services which are not subject to these fees. With the approval of MVU's new economic development utility rates, franchise fees paid should be monitored for potential impacts associated with these new rates.

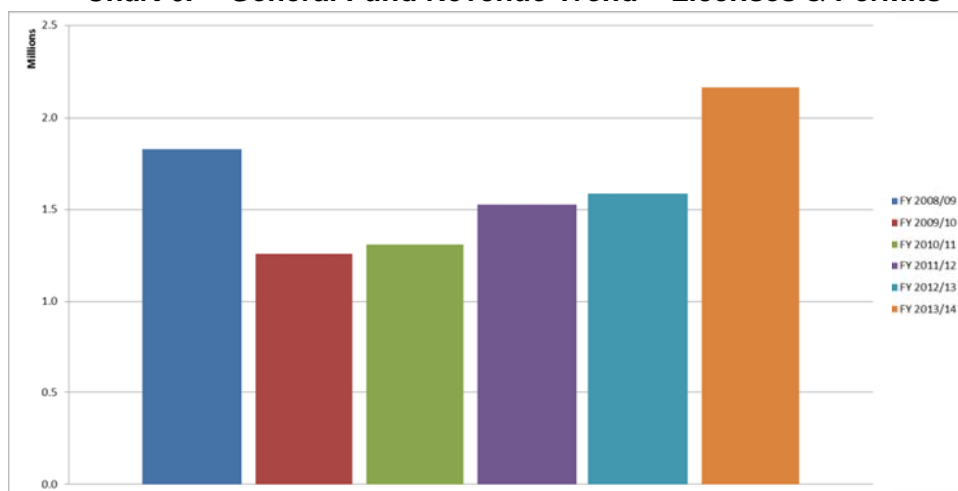
Chart 5. General Fund Revenue Trend – Other Taxes



Licenses & Permits

Licenses & Permits are primarily composed of Business and Animal Licenses, along with Building, Electrical, Mechanical, Plumbing and other permits. Collectively, Licenses & Permits were budgeted to increase 11.3% from the FY 2012/13 to FY 2013/14. Actual results were a growth in revenues of \$400,700 or growth of 25.3%. The growth was due to a higher level of building permit requests being received by the City.

Chart 6. General Fund Revenue Trend – Licenses & Permits

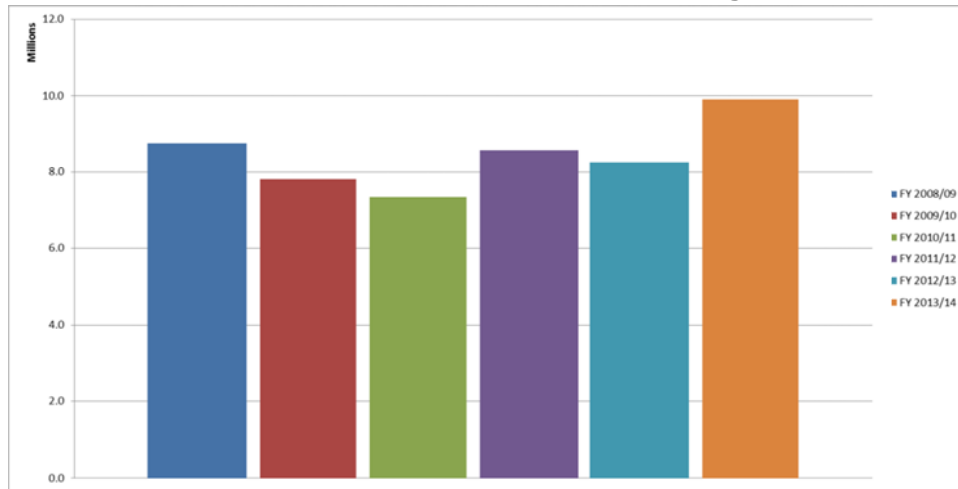


Charges for Services

Charges for Services were anticipated to grow significantly and were budgeted to increase 11.7% from FY 2012/13 to FY 2013/14. Development revenue activity has increased

significantly in certain areas and for FY 2013/14 the revenues exceeded the budget by \$671,300. Specifically, Plan Check Fees including Building & Safety, Fire, and Engineering exceeded the budgeted amounts. New development will need to be continually monitored through the next year to determine any new trends.

Chart 7. General Fund Revenue Trend – Charges for Services



Use of Money and Property

Investment income continued to remain low due to extremely low rates of return for fixed income investments. For FY 2013/14, the Two-year Treasury Note yielded only 0.36%. Through a professional money management firm, the City’s portfolio achieved a yield of about 1.25% with a duration of just over 2.28 years. This is a very low rate of return compared to historical experience, but is indicative of how investment income is performing everywhere. Chandler Asset Management was able to supplement the investment income by employing a Total Return strategy which utilizes active trading to sell securities at advantageous points to achieve gains on the sale. As the market begins to move upward there will be less opportunity for these trading gains.

General Fund Expenditures

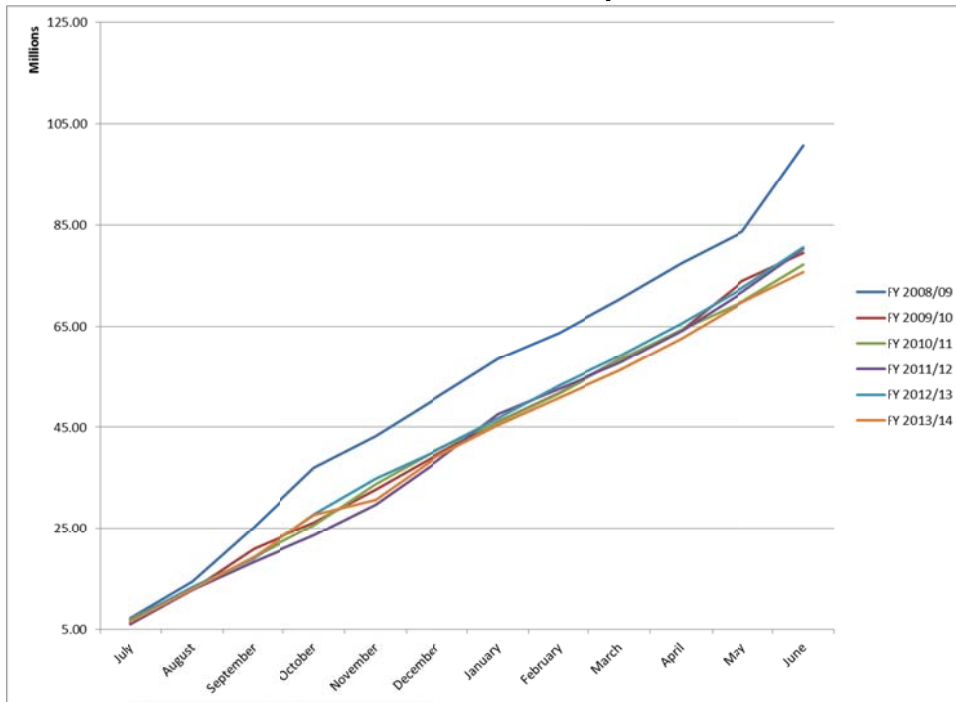
Expenditures are being spent in-line with prior year expenditure trends; although the following table does identify an overall reduction due to the expense reductions adopted as part of the FY 2013/14 amended budget.

Table 4. General Fund Expenditures

Department	FY 2013/14 Amended Budget	Actuals as of 6/30/2014 (unaudited)	% of Amended Budget
City Council	\$ 654,113	\$ 642,586	98.2%
City Clerk	541,202	573,397	105.9%
City Manager	1,917,210	1,915,196	99.9%
City Attorney	776,045	869,430	112.0%
Community & Economic Development	5,714,662	5,344,293	93.5%
Financial & Management Services	3,091,265	2,844,704	92.0%
Administrative Services	3,764,674	3,544,102	94.1%
Public Works	4,465,001	3,974,832	89.0%
Non-Departmental	2,796,980	3,435,439	122.8%
Non-Public Safety Subtotal	23,721,152	23,143,979	97.6%
Public Safety			
Police	37,552,195	36,042,648	96.0%
Fire	17,507,212	16,545,719	94.5%
Public Safety Subtotal	55,059,407	52,588,366	95.5%
Total	\$ 78,780,559	\$ 75,732,346	96.1%

The following chart represents a graphical representation comparing total General Fund year-end expenditures over a five year period.

Chart 8. General Fund Expense Trends



OTHER KEY FUNDS

The following summaries describe other major funds in the City.

Moreno Valley Community Services District

The Moreno Valley Community Services District (CSD) was formed by the voters in 1984 to collect fees and certain taxes to provide an array of services including parks, recreation and community services, streetlights, landscaping and ongoing maintenance. The CSD provides these services through separate “zones” that define the services that are provided.

For certain zones, the primary revenue source used to provide services to properties is parcel fees or taxes levied on properties via their annual tax bill. Proposition 218, passed by California voters in November 1996, has posed a serious challenge to managing the future operation of the CSD zones. Prop. 218 requires any revenue increase to be addressed through a voting process by affected property owners. For a period following the initial implementation of Prop. 218, the CSD was successful in receiving approval for some new or increased revenues. There were also revenue increases due to the growth of developed parcels within the zones. However, due to cost increases that exceed any offsetting increases in the revenues over the past years, and the recent economic downturn slowing new parcel growth, property owners have been resistant to efforts to fully fund service levels.

Revenues received by the CSD programs are restricted to use within those programs. Any funds received above the current year expenditures shall be retained within the programs fund balance for the establishment of reserves or for future use by the programs.

Table 5. CSD Operations

	FY 2013/14 Amended Budget	Actuals as of 6/30/2014 (unaudited)	% of Amended Budget
Revenues:			
Taxes:			
Property Tax	\$ 3,188,300	\$ 3,612,752	113.3%
Other Taxes	6,322,000	6,350,448	100.4%
Intergovernmental	-	4,660	
Charges for Services	5,865,531	5,958,398	101.6%
Use of Money & Property	614,221	725,735	118.2%
Fines & Forfeitures	50,000	41,980	84.0%
Miscellaneous	20,580	480,449	2334.5% (1)
Transfers In	2,459,771	2,183,135	88.8%
Total Revenues	18,520,403	19,357,557	104.5%
Expenditures:			
Library Services Fund (5010)	\$ 2,145,013	\$ 2,122,497	99.0%
Zone A Parks Fund (5011)	9,343,871	8,688,301	93.0%
LMD 2014-01 Residential Street Lighting Fund (5012)	1,683,805	1,506,095	89.4%
Zone C Arterial Street Lighting Fund (5110)	1,188,385	1,101,899	92.7%
Zone D Standard Landscaping Fund (5111)	1,096,642	1,042,870	95.1%
Zone E Extensive Landscaping Fund (5013)	2,628,085	2,205,414	83.9%
Zone M Median Fund (5112)	285,224	244,721	85.8%
CFD No. 1 (5113)	1,226,277	1,129,789	92.1%
Zone S (5114)	66,328	47,422	71.5%
Total Expenditures	19,663,630	18,089,007	92.0%
Net Change or Adopted Use of Fund Balance	\$ (1,143,227)	\$ 1,268,550	

(1) Reflect one-time revenue from the sale of assets.

The following chart represents a graphical representation comparing total CSD year-end revenue collections over a five year period. Since a significant amount of property taxes and charges for services are collected on the Riverside County property tax bills, the cash flow for revenues reflect two major payments for revenues, correlating with the payment of these bills. The timing of these revenues may also affect the need to maintain certain reserve levels.

Chart 9. CSD Revenue Trends

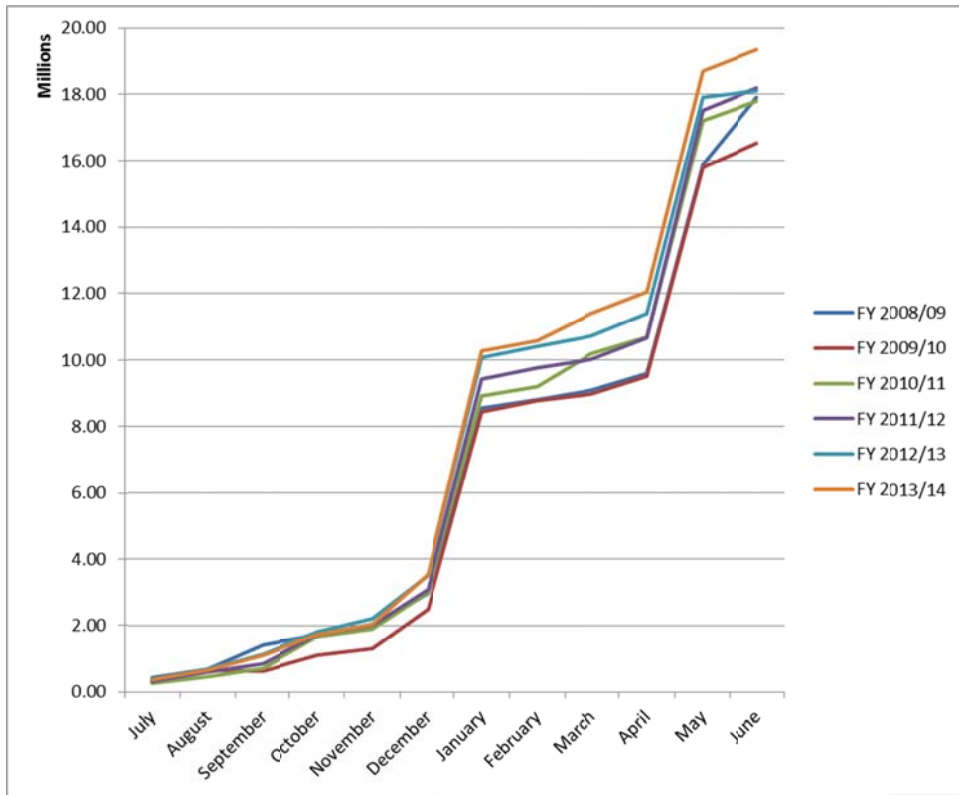
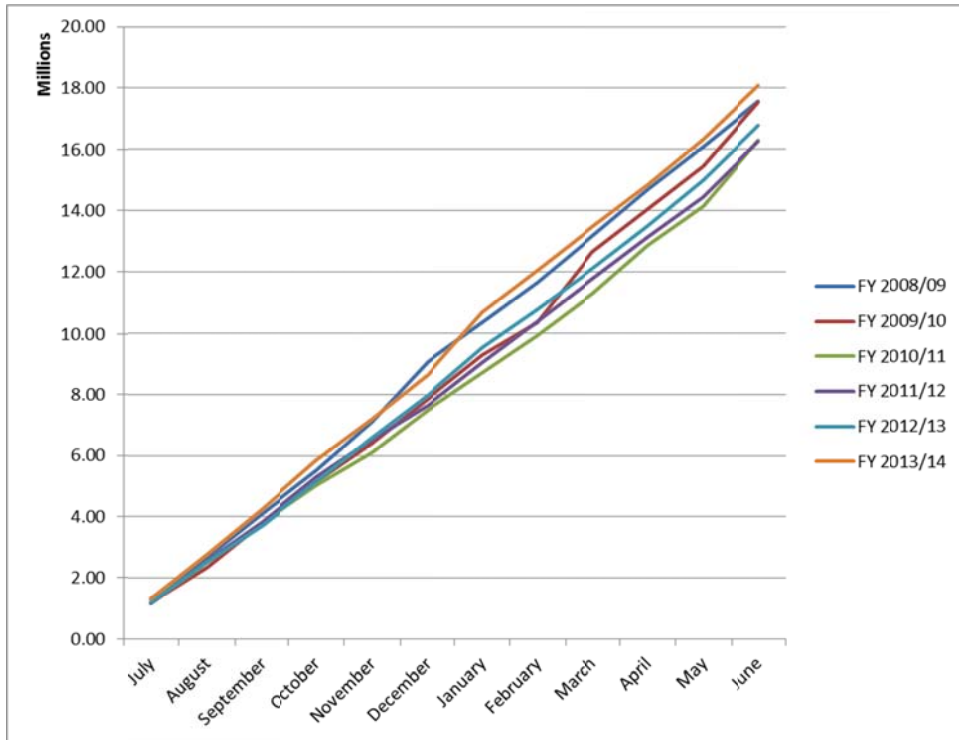


Chart 10. CSD Expense Trends



Community Services District Zone A – Parks & Community Services

The largest Zone within the CSD is Zone A. It accounts for the administration and maintenance of the Parks & Community Services facilities and programs. Funding sources for these services come from a combination of property taxes, fees for service and smaller amounts from other City funds. Although the Amended budget reflected a projected shortfall of \$641,000, Parks & Community Services worked diligently throughout the fiscal year to eliminate this shortfall through savings in materials & supplies and personnel expenditures to complete the year with a balanced budget.

Table 6. CSD Zone A Operations

	FY 2013/14 Amended Budget	Actuals as of 6/30/2014 (unaudited)	% of Amended Budget
Revenues:			
Taxes:			
Property Tax	\$ 1,709,000	\$ 1,880,818	110.1%
Other Taxes	4,900,000	4,945,843	100.9%
Charges for Services	1,067,122	1,036,384	97.1%
Use of Money & Property	583,900	578,517	99.1%
Miscellaneous	18,100	15,018	83.0%
Transfers In	424,136	307,500	72.5%
Total Revenues	8,702,258	8,764,080	100.7%
Expenditures:			
35010 Parks & Comm Svcs - Admin	\$ 591,679	\$ 631,654	106.8%
35210 Park Maintenance - General	3,237,870	2,850,318	88.0%
35211 Contract Park Maintenance	464,403	309,200	66.6%
35212 Park Ranger Program	384,056	351,687	91.6%
35213 Golf Course Program	264,804	281,470	106.3%
35214 Parks Projects	180,534	194,936	108.0%
35310 Senior Program	620,371	555,658	89.6%
35311 Community Services	198,218	160,680	81.1%
35312 Community Events	95,881	108,198	112.8%
35313 Conf & Rec Cntr	632,947	568,610	89.8%
35314 Conf & Rec Cntr - Banquet	331,004	307,303	92.8%
35315 Recreation Programs	1,787,911	1,853,783	103.7%
35317 July 4th Celebration	143,893	122,017	84.8%
95011 Non-Dept Zone A Parks	410,300	392,787	95.7%
Total Expenditures	9,343,871	8,688,301	93.0%
Net Change or			
Adopted Use of Fund Balance	\$ (641,613)	\$ 75,779	

Electric Utility

The Moreno Valley Utility (MVU) manages the operation, maintenance and business planning of the City's electric utility. MVU's basic purpose is to purchase and distribute electricity to customers in newly developed areas of the City. The City began serving new customers in February 2004, and now serves more than 5,600 customers.

The main revenue source for this fund is derived from charges for services. The customer base includes residential, commercial and industrial customers. The growth in customer base will continue to provide for the ability to create rate stabilization and replacement reserve funding.

Table 7. MVU Operations

	FY 2013/14 Amended Budget	Actuals as of 6/30/2014 (unaudited)	% of Amended Budget
Revenues:			
Charges for Services	\$ 18,915,548	\$ 20,627,687	109.1%
Use of Money & Property	80,500	91,064	113.1%
Miscellaneous	123,488	1,302,521	1054.8% (1)
Transfers In	150,000	904,032	602.7%
Total Revenues	19,269,536	22,925,304	119.0%
Expenditures:			
45510 Electric Utility - General	\$ 16,238,850	\$ 17,716,625	109.1%
45511 Public Purpose Program	1,199,111	931,102	77.6%
45520 2007 Taxable Lease Rev	1,835,144	1,841,425	100.3%
45530 2005 Lease Revenue Bo	302,441	294,364	97.3%
96030 Non-Dept 2005 Lease R€	-	-	
96031 Non-Dept 2013 Refundin	20,322	17,792	
Total Expenditures	19,595,868	20,801,308	106.2%
Net Change or Adopted Use of Fund Balance	\$ (326,332)	\$ 2,123,996	

(1) Revenues include \$1.2 million in bond proceeds from the 2013 refunding of the 2005 Lease Revenue Bonds.

Chart 11. MVU Revenue Trends

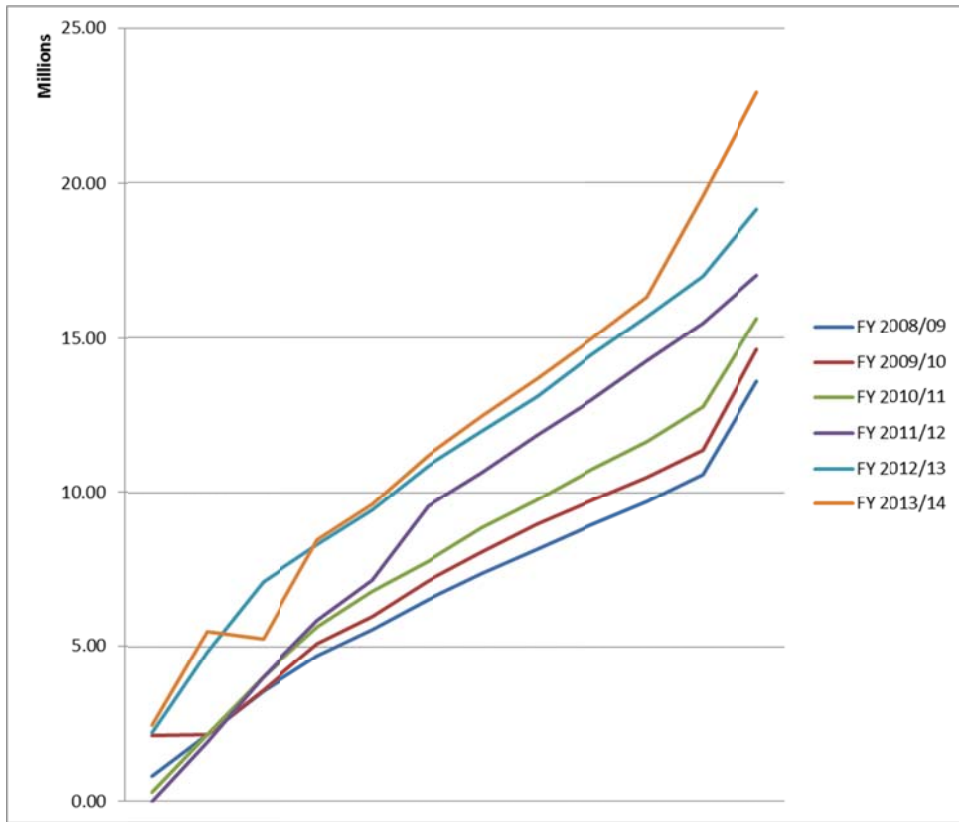
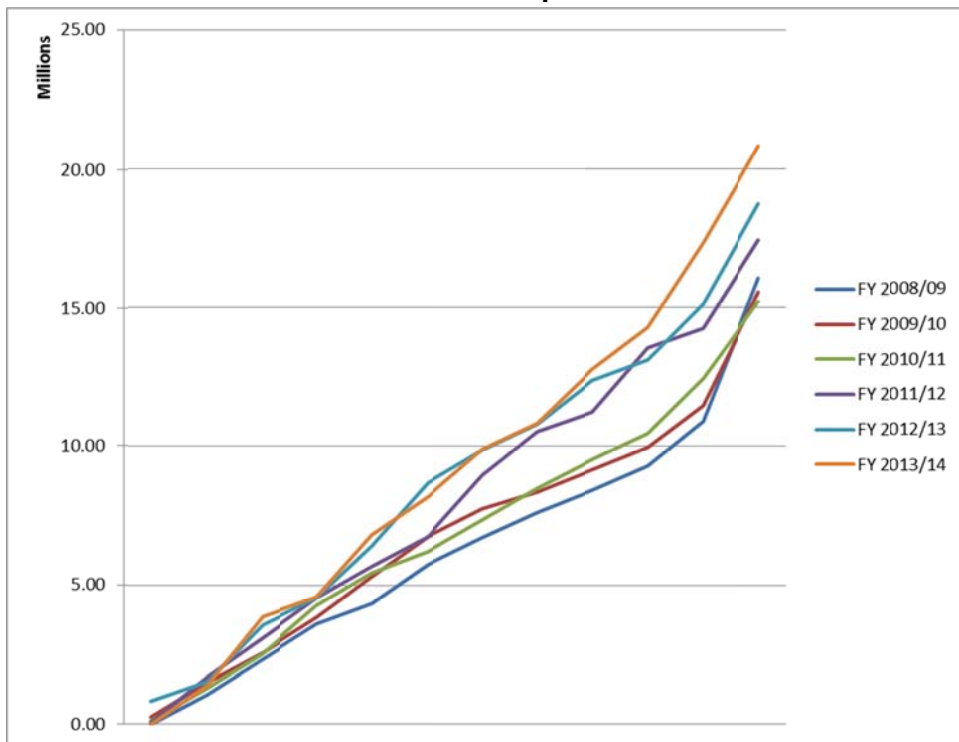


Chart 12. MVU Expense Trends



SUMMARY

The General Fund's year-end revenues and expenditures were both within 4% of expectations set by the Amended FY 2013/14 Budget. The net unaudited financial results for operations provided a one-time savings of approximately \$6.3 million.

Revenues have begun to stabilize and grow in some areas, which will help to provide the City a foundation for the FY 2014/15. The City will continue to monitor the financials throughout FY 2014/15 and bring back to the City Council for discussion options to address the other challenges and unfunded liabilities, as well as examining the reserve fund balances held by the City.



City of Moreno Valley

Fiscal Year 2014/15

First Quarter Financial Summary

TO: Mayor and City Council

FROM: Richard Teichert, Chief Financial Officer

DATE: December 9, 2014

INTRODUCTION

On June 11, 2013, the City Council adopted the Two-Year Operating Budget for Fiscal Years (FY) 2013/14 – 2014/15. During the two-year budget period the City Council will be apprised of the City's financial condition through the process of First Quarter and Mid-Year Budget Reviews. This ongoing process ensures a forum to look at expenditure and revenue deviations from the estimates made in the budget document. Additionally, any significant variances in projected revenue or unanticipated expenditures will be shared with the City Council should they occur.

This report provides a review of the unaudited financial results for the completed FY 2014/15 First Quarter (July 2014 – September 2014, 25% of the fiscal year).

CITYWIDE OPERATING EXPENDITURE SUMMARY

The following table contains a summary of the adopted budget, amended budget and the First Quarter expenditures. The totals represent each major fund type and component unit of the City.

Table 1. Citywide Operating Expenditures

	FY 2014/15 Adopted Budget	FY 2014/15 Amended Budget	Actuals as of 9/30/2014 (unaudited)	% of Amended Budget
Fund/Component Unit				
General Fund	\$ 78,741,256	\$ 83,324,600	\$ 19,489,372	23.4%
Community Services District (CSD)	18,704,827	19,414,296	3,784,307	19.5%
Successor Agency	6,123,817	6,119,169	1,001,086	16.4%
Housing Fund	-	125,000	2,310	1.8%
Special Revenue Funds	22,022,688	33,502,324	4,584,999	13.7%
Capital Projects Funds	256,100	382,035	189,835	49.7%
Electric Utility Funds	18,862,227	19,975,594	3,863,697	19.3%
Internal Service Funds	13,058,676	16,521,820	2,880,198	17.4%
Debt Service Funds	5,422,100	7,441,085	52,583	0.7%
Total	\$ 163,191,691	\$ 186,805,923	\$ 35,848,386	19.2%

Actions taken by the City Council subsequent to the June 11, 2013 adoption of the two-year budget have resulted in some important service level enhancements. After five years of being

closed every Friday, City Hall is now open every Friday to accommodate the needs of our development community. Contracting Library Services more than tripled the books and materials budget and provided 25% additional weekly service hours, including Sunday service.

The significant amendments approved and included in the Amended Budget are:

- On June 25, 2013, the City Council approved the Employee Memorandum of Understanding to reduce the current furlough from 10% down to 5%, which provided for additional service hours. The impact city wide was \$1,706,870.
- On March 11, 2014, the City Council approved the FY 2013/14 mid-year budget adjustments which included approx. \$2.1 million in increased expenditures for FY 2014/15.
- On May 27, 2014, the City Council approved the Employee Memorandum of Understanding to reduce the current furlough from 5% down to 0%, which provided for the opening of City Hall every Friday to better meet the needs of the public. The impact city wide was \$1,454,087.
- On October 28, 2014, the City Council approved the FY 2014/15 first quarter budget adjustments which included approx. \$16.5 million in increased expenditures and \$38.9 million in increased revenues. The expenditure items reflected carryovers from the prior fiscal year and new expenditures with offsetting revenues.
- Throughout the fiscal year there are also budget amendments to reflect the acceptance of grants and adjustments to contractual services and material/supplies. The individual amendments are reviewed as part of separate City Council agenda items.

The majority of this quarterly update will focus on the General Fund, as it supports all basic services provided to City residents. Highlights for other key component funds will be discussed at a summary level as well.

GENERAL FUND OPERATING

Table 2. General Fund Operations

	FY 2014/15 Adopted Budget	FY 2014/15 Amended Budget	Actuals as of 9/30/2014 (unaudited)	% of Amended Budget
Revenues:				
Taxes:				
Property Tax	\$ 9,803,900	\$ 11,083,551	\$ 0	0.0%
Property Tax in-lieu	13,890,000	14,912,136	-	0.0%
Utility Users Tax	16,428,000	15,912,000	3,184,284	20.0%
Sales Tax	16,420,000	17,638,770	1,147,380	6.5%
Other Taxes	8,185,000	8,266,100	736,806	8.9%
Licenses & Permits	1,519,200	1,519,200	465,652	30.7%
Intergovernmental	235,000	235,000	39,299	16.7%
Charges for Services	8,977,274	9,342,770	2,010,638	21.5%
Use of Money & Property	2,589,600	2,589,600	(176,625)	-6.8%
Fines & Forfeitures	606,500	606,500	70,785	11.7%
Miscellaneous	51,400	281,400	247,106	87.8%
Total Revenues	\$ 78,705,874	\$ 82,387,027	\$ 7,725,324	9.4%
Expenditures:				
Personnel Services	13,403,654	15,111,068	3,222,595	21.3%
Contractual Services	54,972,435	56,549,399	13,461,133	23.8%
Material & Supplies	1,043,190	1,710,789	226,110	13.2%
General Government	-	-	-	-
Debt Service	-	-	-	-
Fixed Charges	6,794,374	6,854,374	1,989,089	29.0%
Fixed Assets	125,000	67,200	-	0.0%
Total Expenditures	\$ 76,338,653	\$ 80,292,830	\$ 18,898,927	23.5%
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	2,367,221	2,094,197	(11,173,602)	
Transfers:				
Transfers In	126,489	742,640	19,380	2.6%
Transfers Out	2,402,603	3,031,770	590,445	19.5%
Net Transfers	\$ (2,276,114)	\$ (2,289,130)	\$ (571,065)	
Total Revenues & Transfers In	78,832,363	83,129,667	7,744,704	9.3%
Total Expenditures & Transfers Out	78,741,256	83,324,600	19,489,372	23.4%
Net Change of Fund Balance	\$ 91,107	\$ (194,933)	\$ (11,744,667)	

General Fund Operating Revenues

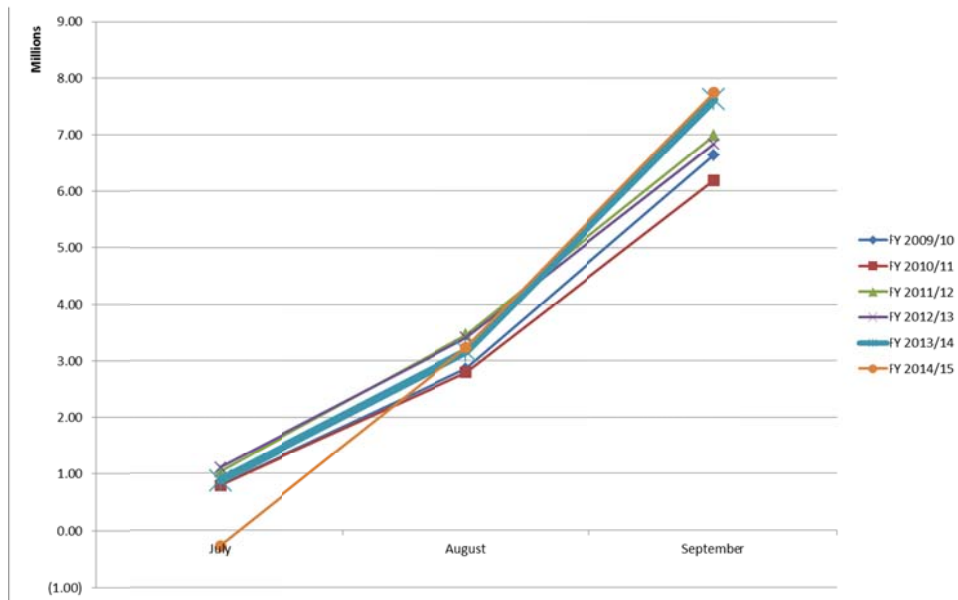
The General Fund is comprised of several revenue types. However, the main sources include property tax, utility users tax, and sales tax. Each of these are affected by different economic activity cycles and pressures.

Table 3. General Fund Operating Revenues

	FY 2014/15 Adopted Budget	FY 2014/15 Amended Budget	Actuals as of 9/30/2014 (unaudited)	% of Amended Budget
Revenues:				
Taxes:				
Property Tax	\$ 9,803,900	\$ 11,083,551	\$ 0	0.0%
Property Tax in-lieu	13,890,000	14,912,136	-	0.0%
Utility Users Tax	16,428,000	15,912,000	3,184,284	20.0%
Sales Tax	16,420,000	17,638,770	1,147,380	6.5%
Other Taxes	8,185,000	8,266,100	736,806	8.9%
Licenses & Permits	1,519,200	1,519,200	465,652	30.7%
Intergovernmental	235,000	235,000	39,299	16.7%
Charges for Services	8,977,274	9,342,770	2,010,638	21.5%
Use of Money & Property	2,589,600	2,589,600	(176,625)	-6.8%
Fines & Forfeitures	606,500	606,500	70,785	11.7%
Miscellaneous	51,400	281,400	247,106	87.8%
Total Revenues	\$ 78,705,874	\$ 82,387,027	\$ 7,725,324	9.4%

The following chart represents a graphical representation comparing total General Fund revenue collections through the first quarter, over a six year period.

Chart 1. General Fund Revenue Trends



Property Taxes/Property Taxes In-Lieu

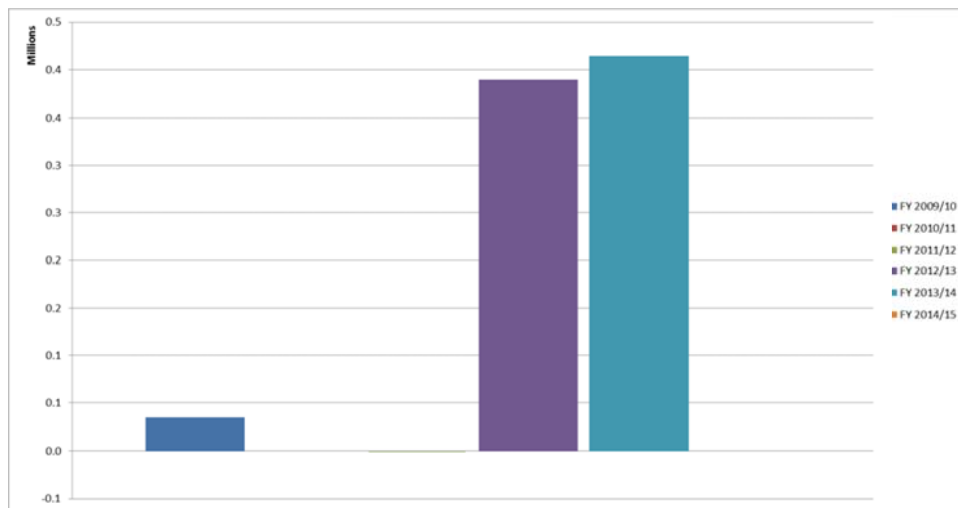
Property taxes were budgeted to increase by 10.7% from the FY 2013/14 Amended Budget. The annual schedule of property tax payments from the County of Riverside will provide payments to the City based on the following estimated schedule:

Secured Property Tax Payment Dates

Settlement 1	January 20-24, 2014
Settlement 2	May 19-23, 2014
Settlement 3	August 4-8, 2014
Teeter Settlement	October 20-24, 2014

Based on historical averages of actual receipts, the City is estimated to receive 2% of the budgeted property tax revenue within the first quarter. The City has currently received 0% during the first quarter. Property taxes will continue to be monitored as property valuations may adjust through the year based on property sales and assessment appeals filed with the County.

Chart 2. General Fund First Quarter Revenue Trend – Property Taxes



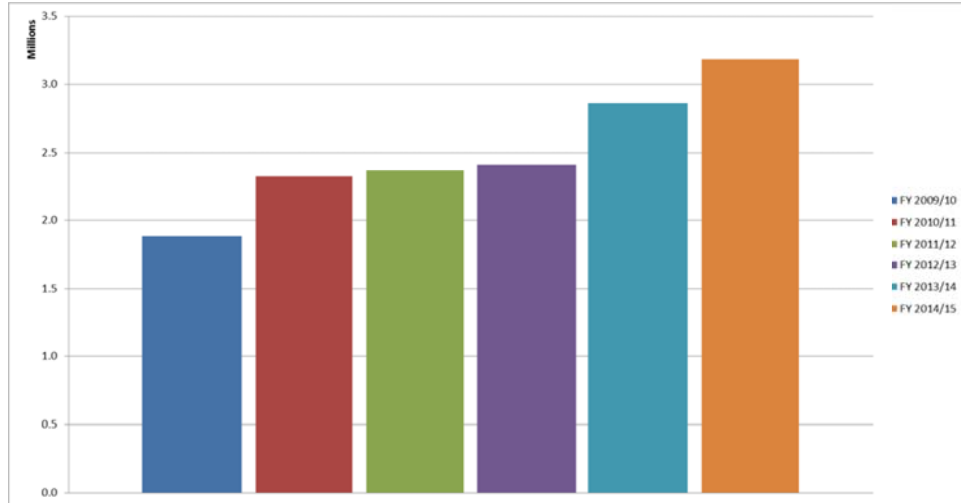
Note: FYs 2010/11, 2011/12 and 2014/15 did not receive any property tax revenues in the first quarter.

Utility Users Tax

Utility Users taxes were budgeted to decrease 1.25% from the FY 2013/14 Amended Budget. This projection is primarily due to competitive forces within the communications markets. Both the wireless and wired markets experienced downturns year over year. Based on our discussions with utility tax experts, there are a couple of causes for this trend. First is competition and bundling practices within the market as more small players continue to join the market. Second is the migration of customers from contract plans to prepaid plans. Currently there is no method within the State to capture UUT related to prepaid wireless plans. There is currently legislation in Sacramento trying to address this and close that gap.

Based on historical averages of actual receipts, the City is estimated to receive 13% of the budgeted utility users tax revenue within the first quarter. The City has currently received 20% during the first quarter.

Chart 3. General Fund First Quarter Revenue Trend – Utility Users Taxes

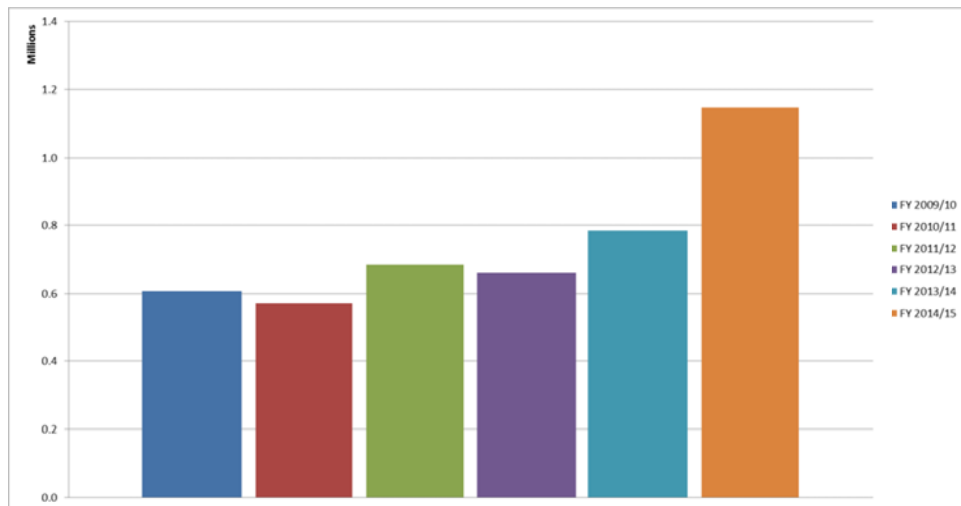


Sales Taxes

Based on the recovering economy and new businesses that began operating in the City, the FY 2014/15 sales tax budget was increased by 13.3%. Sales tax receipts will need to be continually monitored through the year to determine if current trends begin to plateau or begin to decrease.

Based on historical averages of actual receipts, the City is estimated to receive 6% of the budgeted sales tax revenue within the first quarter. The City has currently received 6.5% during the first quarter.

Chart 4. General Fund First Quarter Revenue Trend – Sales Taxes

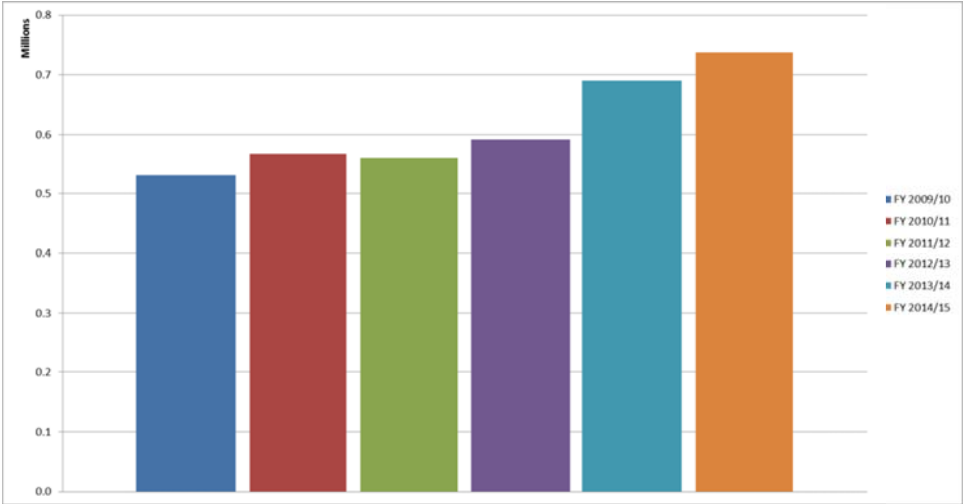


Other Taxes

Other taxes are primarily composed of Business Gross Receipts, Transient Occupancy Tax, Documentary Transfer Tax, and Franchise Fees. Collectively, other taxes were budgeted to increase 3.8% from the FY 2013/14 Amended Budget.

Based on historical averages of actual receipts, the City is estimated to receive 8% of the budgeted Other Taxes revenue within the first quarter. The City has currently received 8.9% during the first quarter.

Chart 5. General Fund First Quarter Revenue Trend – Other Taxes

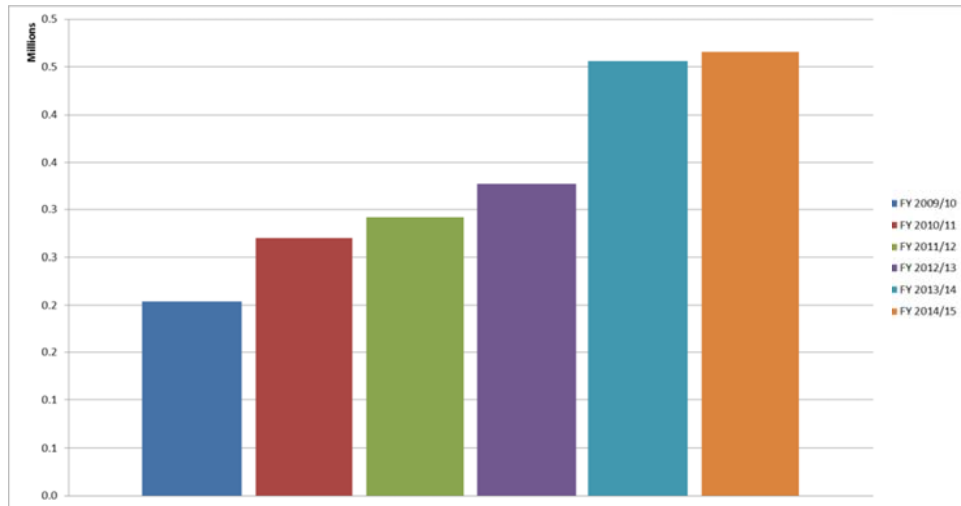


Licenses & Permits

Licenses & Permits are primarily composed of Business and Animal Licenses, along with Building, Electrical, Mechanical, Plumbing and other permits. Collectively, Licenses & Permits were budgeted to decrease 13.9% from the FY 2013/14 Amended Budget.

Based on historical averages of actual receipts, the City is estimated to receive 26% of the budgeted Licenses & Permits revenue within the first quarter. The City has currently received 30.7% during the first quarter.

Chart 6. General Fund First Quarter Revenue Trend – Licenses & Permits

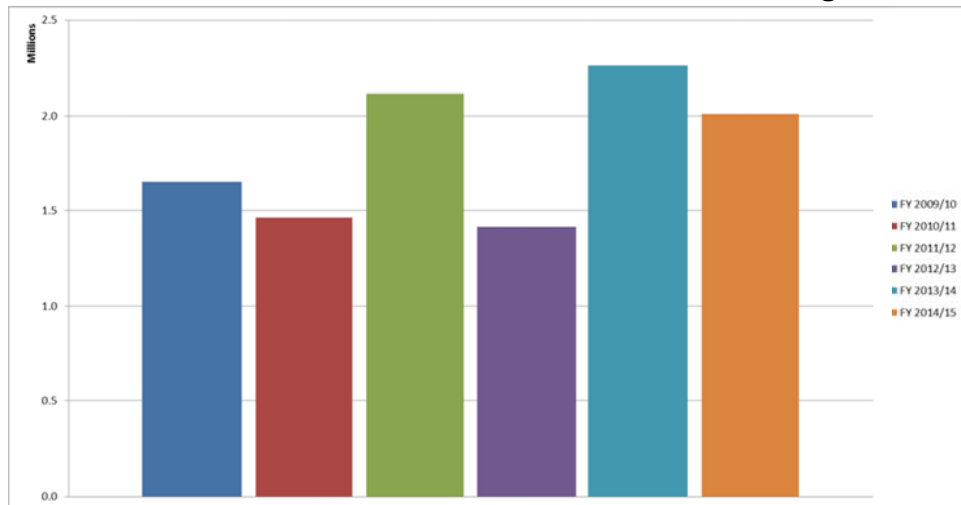


Charges for Services

Charges for Services are primarily composed of Plan Check Fees, Inspection Fees, Administrative Charges to other funds, and Parking Control Fines. Collectively, Charges for Services were budgeted to increase 1.3% from the FY 2013/14 Amended Budget.

Based on historical averages of actual receipts, the City is estimated to receive 22% of the budgeted Charges for Services revenue within the first quarter. The City has currently received 21.5% during the first quarter.

Chart 7. General Fund First Quarter Revenue Trend – Charges for Services



Use of Money and Property

Investment income continues to remain low due to extremely low rates of return for fixed income investments. Currently, the Two-year Treasury Note is yielding only 0.57%. Through a professional money management firm, the City’s portfolio is achieving a yield of about 1.27%

with a duration of just over 2.17 years. This is a very low rate of return compared to historical experience, but is indicative of how investment income is performing everywhere. Chandler Asset Management was able to supplement the investment income by employing a Total Return strategy which utilizes active trading to sell securities at advantageous points to achieve gains on the sale. As the market begins to move upward, there will be less opportunity for these trading gains.

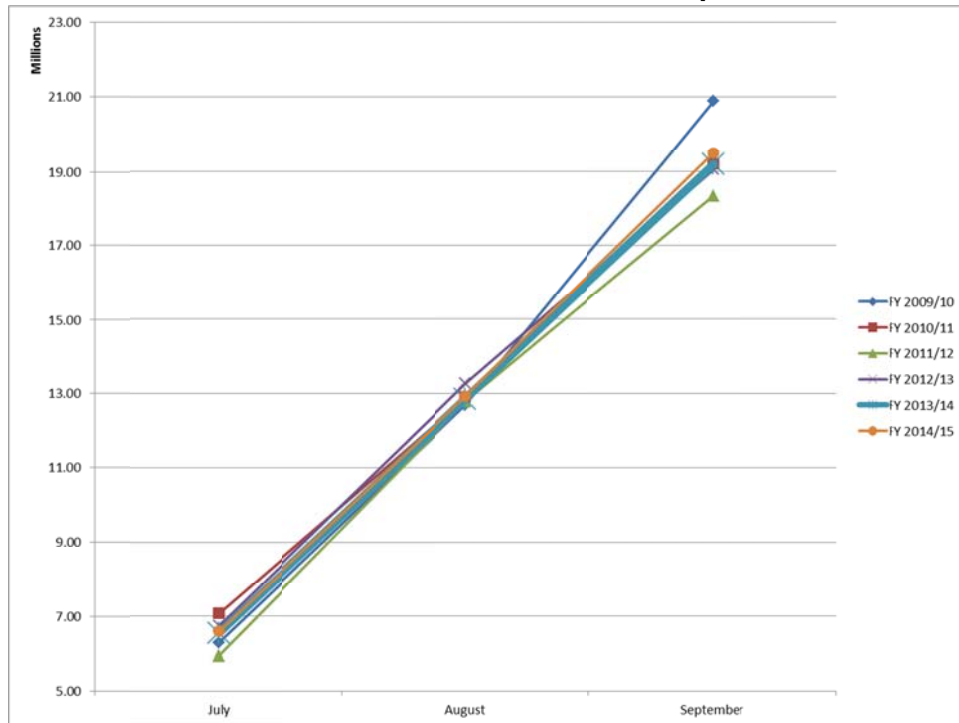
General Fund Expenditures

Expenditures are being spent in-line with prior year expenditures. Each Department's activities will be monitored throughout the year as they may be impacted by different economic activity cycles and pressures.

Table 4. General Fund Expenditures

	FY 2014/15 Amended Budget	Actuals as of 9/30/2014 (unaudited)	% of Amended Budget
Department			
City Council	\$ 668,537	\$ 135,896	20.3%
City Clerk	662,185	114,556	17.3%
City Manager	1,863,226	382,844	20.5%
City Attorney	619,963	208,006	33.6%
Community & Economic Development	5,828,344	1,230,548	21.1%
Financial & Management Services	3,472,927	658,282	19.0%
Administrative Services	3,993,099	808,980	20.3%
Public Works	4,692,049	848,341	18.1%
Non-Departmental	3,575,470	1,416,769	39.6%
Non-Public Safety Subtotal	25,375,800	5,804,222	22.9%
Public Safety			
Police	39,476,236	9,390,484	23.8%
Fire	18,472,564	4,294,666	23.2%
Public Safety Subtotal	57,948,800	13,685,150	23.6%
Total	\$ 83,324,600	\$ 19,489,372	

Chart 8. General Fund First Quarter Expense Trends



CONTINUED CHALLENGES AND ITEMS OF NOTE

Preserving a balanced City budget over the next several years will require the same level of vigilance and strategic planning which produced the budget. While focusing significant energy to attract and retain local businesses, the City will also contend with fiscal pressures associated with:

- A General Fund subsidy for street lights of approximately \$1 million annually, along with the impacts of future SCE rate increases;
- Continued cost increases levied by the County for contract law enforcement services;
- Projected cost increases for contract Fire protection;
- Anticipated pension cost increases, exacerbated by revisions to CalPERS rate methodology which had previously smoothed rate increases over longer periods;
- With the dissolution of the prior Redevelopment Agency, there are continued risks that the payment of certain agreements may not be approved by the California Department of Finance, which will impact the General Fund.
- The General Fund's obligation to guarantee debt service payments on the police and fire facilities;
- Reinstating the employee merit increases and the funding of accrued leave balances;
- The restoration of funding for deferred infrastructure maintenance and vehicle replacements during the fiscal downturn.

The City Council's resolve as demonstrated during the budget cycle, along with engaged managers throughout the City organization and a collaborative relationship with our employees should continue to serve us well to successfully address these challenges ahead.

OTHER KEY FUNDS

The following summaries describe other major funds in the City.

Moreno Valley Community Services District

The Moreno Valley Community Services District (CSD) was formed by the voters in 1984 to collect fees and certain taxes to provide an array of services including parks, recreation and community services, streetlights, landscaping and ongoing maintenance. The CSD provides these services through separate "zones" that define the services that are provided.

For certain zones, the primary revenue source used to provide services to properties is parcel fees or taxes levied on properties via their annual tax bill. Proposition 218, passed by California voters in November 1996, has posed a serious challenge to managing the future operation of the CSD zones. Prop. 218 requires any revenue increase to be addressed through a voting process by affected property owners. For a period following the initial implementation of Prop. 218, the CSD was successful in receiving approval for some new or increased revenues. There were also revenue increases due to the growth of developed parcels within the zones. However, due to cost increases that exceed any offsetting increases in the revenues over the past years, and the recent economic downturn slowing new parcel growth, property owners have been resistant to efforts to fully fund service levels.

Table 5. CSD Operations

	FY 2014/15 Adopted Budget	FY 2014/15 Amended Budget	Actuals as of 9/30/2014 (unaudited)	% of Amended Budget
Revenues:				
Taxes:				
Property Tax	\$ 3,233,300	\$ 3,884,148	\$ -	0.0%
Other Taxes	6,322,000	6,358,616	-	0.0%
Charges for Services	6,119,112	5,824,562	309,890	5.3%
Use of Money & Property	621,351	646,351	136,179	21.1%
Fines & Forfeitures	50,000	50,000	8,932	17.9%
Miscellaneous	20,100	20,100	3,573	17.8%
Transfers In	1,947,608	2,229,396	503,445	22.6%
Total Revenues	18,313,471	19,013,173	962,020	5.1%
Expenditures:				
Library Services Fund (5010)	\$ 1,828,882	\$ 1,753,611	\$ 433,980	24.7%
Zone A Parks Fund (5011)	8,941,044	9,039,050	1,900,123	21.0%
LMD 2014-01 Residential Street Lighting Fund (5012)	1,735,500	1,727,780	269,988	15.6%
Zone C Arterial Street Lighting Fund (5110)	957,400	960,571	163,786	17.1%
Zone D Standard Landscaping Fund (5111)	1,120,300	1,238,148	243,477	19.7%
Zone E Extensive Landscaping Fund (5013)	2,535,783	475,113	115,764	24.4%
5014 LMD 2014-02	-	2,404,405	289,994	12.1%
5015 CFD 2014-01	-	5,700	-	0.0%
Zone M Median Fund (5112)	292,144	283,194	54,072	19.1%
CFD No. 1 (5113)	1,225,757	1,215,343	302,162	24.9%
Zone S (5114)	68,017	95,755	10,960	11.4%
5211 ZONE A PARKS - RESTRICTED ASSETS	-	215,626	-	0.0%
Total Expenditures	18,704,827	19,414,296	3,784,307	19.5%
Net Change or Adopted Use of Fund Balance	\$ (391,356)	\$ (401,123)	\$ (2,822,287)	

Community Services District Zone A – Parks & Community Services

The largest Zone within the CSD is Zone A. It accounts for the administration and maintenance of the Parks & Community Services facilities and programs. Funding sources for these services come from a combination of property taxes, fees for service and smaller amounts from other City funds.

Table 6. CSD Zone A Operations

	FY 2014/15 Adopted Budget	FY 2014/15 Amended Budget	Actuals as of 9/30/2014 (unaudited)	% of Amended Budget
Revenues:				
Taxes:				
Property Tax	\$ 1,733,000	\$ 2,022,318	\$ -	0.0%
Other Taxes	4,900,000	4,900,000	-	0.0%
Charges for Services	1,070,507	1,045,507	277,288	26.5%
Use of Money & Property	591,300	616,300	151,835	24.6%
Miscellaneous	18,100	18,100	288	1.6%
Transfers In	307,500	307,500	76,875	25.0%
Total Revenues	8,620,407	8,909,725	506,286	5.7%
Expenditures:				
35010 Parks & Comm Svcs - Admin	\$ 579,170	\$ 593,720	\$ 96,357	16.2%
35210 Park Maintenance - General	2,999,075	3,038,495	645,625	21.2%
35211 Contract Park Maintenance	467,288	452,292	43,918	9.7%
35212 Park Ranger Program	372,210	367,233	83,445	22.7%
35213 Golf Course Program	265,672	318,874	68,467	21.5%
35214 Parks Projects	175,211	188,421	40,219	21.3%
35310 Senior Program	576,727	612,483	135,333	22.1%
35311 Community Services	194,116	177,887	39,016	21.9%
35312 Community Events	81,507	224,384	17,605	7.8%
35313 Conf & Rec Cntr	603,507	584,054	116,504	19.9%
35314 Conf & Rec Cntr - Banquet	334,331	349,077	69,930	20.0%
35315 Recreation Programs	1,739,165	1,304,736	365,915	28.0%
35317 July 4th Celebration	142,765	152,414	46,868	30.8%
35318 Sports Programs	-	384,345	44,627	11.6%
35319 Towngate Community Center	-	40,335	3,697	9.2%
95011 Non-Dept Zone A Parks	410,300	250,300	82,596	33.0%
Total Expenditures	8,941,044	9,039,050	1,900,123	21.0%
Net Change or Adopted Use of Fund Balance	\$ (320,637)	\$ (129,325)	\$ (1,393,837)	

Electric Utility

The Moreno Valley Utility (MVU) manages the operation, maintenance and business planning of the City's electric utility. MVU's basic purpose is to purchase and distribute electricity to customers in newly developed areas of the City. The City began serving new customers in February 2004, and now serves more than 5,600 customers. As it reaches fiscal and operational maturity, MVU will continue to be a key component of the City's economic development strategy. The City Council has established special tiered rates for electric utility customers based upon factors such as the number of jobs created.

The main revenue source for this fund is derived from charges for services. The customer base includes residential, commercial and industrial customers. The growth in customer base will continue to provide for the ability to create rate stabilization and replacement reserve funding.

Table 7. MVU Operations

	FY 2014/15 Adopted Budget	FY 2014/15 Amended Budget	Actuals as of 9/30/2014 (unaudited)	% of Amended Budget
Revenues:				
Charges for Services	\$ 19,289,102	\$ 19,285,102	\$ 9,731,241	50.5%
Use of Money & Property	80,500	80,500	(3,996)	-5.0%
Miscellaneous	121,878	121,878	19,865	16.3%
Total Revenues	19,491,480	19,487,480	9,747,109	50.0%
Expenditures:				
45510 Electric Utility - General	\$ 15,862,669	\$ 16,126,036	\$ 3,705,810	23.0%
45511 Public Purpose Program	846,300	1,696,300	157,669	9.3% ⁽¹⁾
45520 2007 Taxable Lease Rev Bonds	1,830,995	1,830,995	-	0.0%
45530 2005 Lease Revenue Bonds	322,263	191,159	218	0.1%
96031 Non-Dept 2013 Refunding 05 LRB	-	131,104	-	-
Total Expenditures	18,862,227	19,975,594	3,863,697	19.3%
Net Change or Adopted Use of Fund Balance	\$ 629,253	\$ (488,114)	\$ 5,883,413	(1)

(1) Reflects the one-time use of existing fund balance restricted for Public Purpose Programs.

MVU's revenues and expenses will fluctuate annually based on energy demands.

Chart 9. MVU First Quarter Revenue Trends

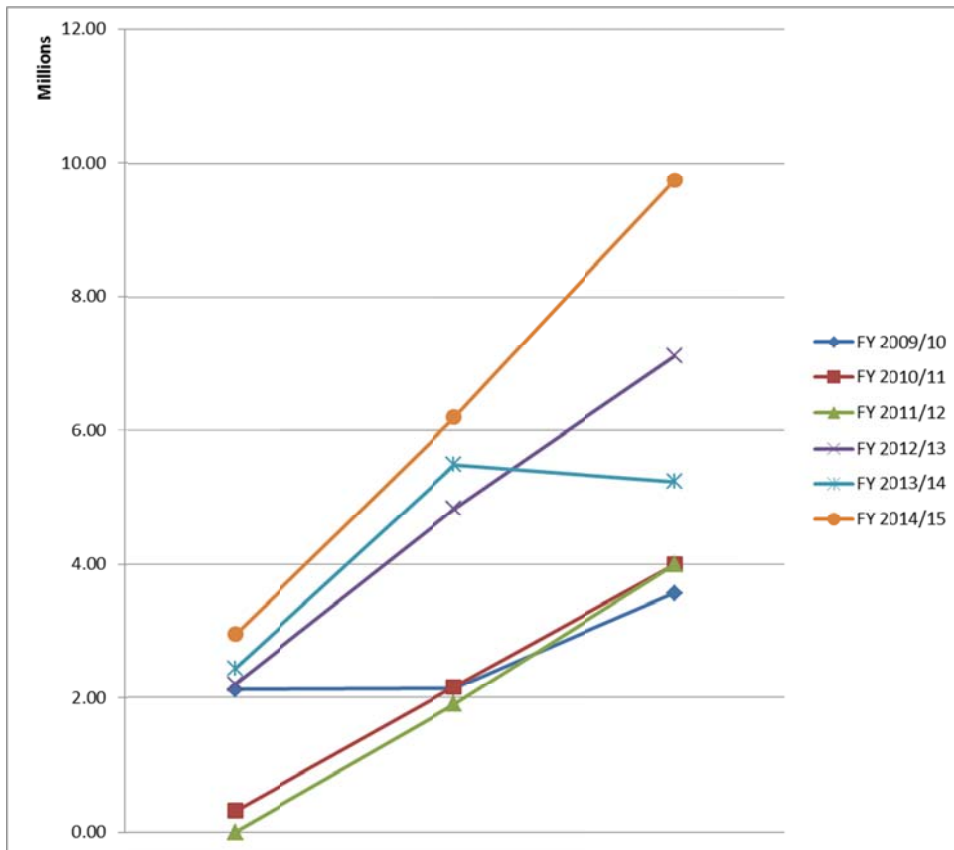
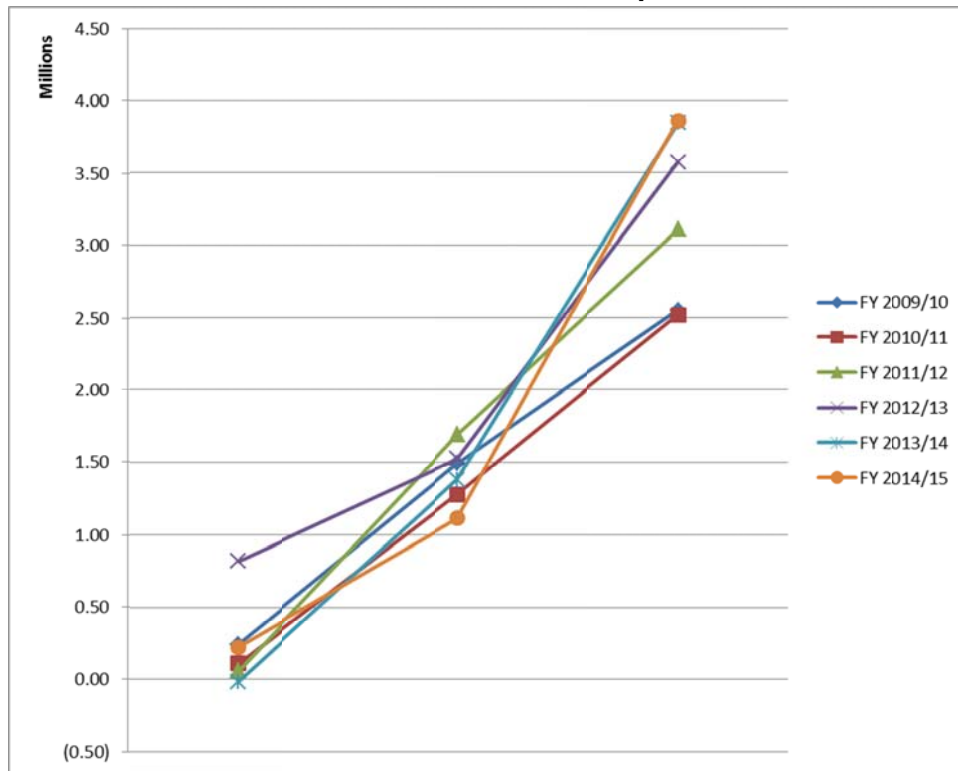


Chart 10. MVU First Quarter Expense Trends



SUMMARY

The City of Moreno Valley is on the path toward recovery following the Great Recession; unlike most other cities in this region, our FY 2014/15 Adopted Budget was fully balanced without the use of reserves.

Although the City has experienced positive results in some areas through FY 2013/14 and the first quarter of FY 2014/15, the City should remain cautiously optimistic as we proceed through the fiscal year.

As positive fund balances begin to grow, we will bring back to the City Council for discussion options to address the other challenges and unfunded liabilities, as well as examining the reserve fund balances held by the City.

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City of Moreno Valley
FY 2014/15
City Position Summary

Attachment 3

Position Title	FY	FY	FY	FY	FY	FY	FY	
	2011/12 Adj.	2011/12 No.	2012/13 Adj.	2012/13 No.	2013/14 Adj.	2013/14 No.	2014/15 Adj.	2014/15 No.
Accountant I	-	2	-	2	-	2	-	2
Accounting Asst	(2)	3	-	3	-	3	-	3
Accounting Technician	-	4	-	4	(1)	3	-	3
Accounts Payable Supervisor	-	1	-	1	-	1	-	1
Administrative Asst	-	5	-	5	3	8	-	8
Administrative Services Dir	-	1	-	1	-	1	-	1
After School Prog Coordinator	(4)	-	-	-	-	-	-	-
After School Prog Specialist	(8)	-	-	-	-	-	-	-
After School Prog Supervisor	(1)	-	-	-	-	-	-	-
Animal Care Technician	-	4	-	4	-	4	-	4
Animal Control Officer	-	7	-	7	-	7	-	7
Animal Services Asst	-	2	-	2	-	2	-	2
Animal Svcs Dispatcher	(1)	1	-	1	1	2	-	2
Animal Svcs Division Manager	-	1	-	1	-	1	-	1
Animal Svcs Field Supervisor	-	1	-	1	-	1	-	1
Animal Svcs License Inspector	-	1	-	1	-	1	-	1
Animal Svcs Office Supervisor	-	1	-	1	-	1	-	1
Applications & DB Admin	-	1	-	1	-	1	-	1
Applications Analyst	-	1	-	1	-	1	-	1
Assistant City Attorney	-	-	-	-	-	-	-	-
Assistant City Clerk	-	-	-	-	-	-	-	-
Assoc Environmental Engineer	-	1	-	1	-	1	-	1
Associate Engineer	(1)	5	-	5	-	5	-	5
Associate Planner	-	4	-	4	-	4	-	4
Asst Buyer	-	2	-	2	-	2	-	2
Asst City Manager	-	1	-	1	-	1	-	1
Asst Crossing Guard Spvr	-	1	-	1	-	1	-	1
Asst Network Administrator	-	1	-	1	-	1	-	1
Asst to the City Manager	-	1	-	1	-	1	-	1
Asst. Applications Analyst	-	-	-	-	-	-	-	-
Banquet Facility Rep	-	1	-	1	-	1	-	1
Budget Officer	(1)	-	1	1	(1)	-	-	-
Building & Neighborhood Services Div Mgr	-	-	-	-	1	1	-	1
Building Div Mgr / Official	-	1	-	1	(1)	-	-	-
Building Inspector I I	-	4	-	4	-	4	-	4
Bus. Support & Neigh Prog Admin	-	1	-	1	(1)	-	-	-
Cable TV Producer	-	2	-	2	-	2	-	2
Chief Financial Officer/City Treas	-	1	-	1	-	1	-	1
Child Care Asst	-	5	-	5	(1)	4	-	4
Child Care Instructor I I	-	5	-	5	(1)	4	-	4
Child Care Program Manager	-	1	-	1	-	1	-	1
Child Care Site Supervisor	-	5	-	5	(1)	4	-	4
City Attorney	-	1	-	1	-	1	-	1
City Clerk	-	1	-	1	-	1	-	1
City Manager	-	1	-	1	-	1	-	1
Code & Neigh Svcs Official	-	1	-	1	(1)	-	-	-
Code Compliance Field Sup.	-	-	-	-	-	-	-	-
Code Compliance Officer I	-	-	-	-	1	1	-	1
Code Compliance Officer I I	-	5	-	5	-	5	-	5
Code Supervisor	-	-	-	-	1	1	-	1
Comm & Economic Dev Director	-	1	-	1	-	1	-	1
Community Dev Director	(1)	-	-	-	-	-	-	-
Community Svcs Supervisor	-	1	-	1	-	1	-	1
Construction Inspector	1	5	-	5	-	5	-	5
Crossing Guard	-	35	-	35	-	35	-	35
Crossing Guard Supervisor	-	1	-	1	-	1	-	1

**City of Moreno Valley
FY 2014/15
City Position Summary**

Position Title	FY	FY	FY	FY	FY	FY	FY	
	2011/12 Adj.	2011/12 No.	2012/13 Adj.	2012/13 No.	2013/14 Adj.	2013/14 No.	2014/15 Adj.	2014/15 No.
Customer Service Asst	-	1	-	1	(1)	-	-	-
Dep PW Dir /Asst City Engineer	-	1	-	1	-	1	-	1
Deputy City Attorney I I I	-	2	-	2	(2)	-	-	-
Deputy City Clerk	-	1	-	1	-	1	-	1
Deputy City Manager	-	-	-	-	-	-	-	-
Development Svcs Coordinator	-	1	(1)	-	-	-	-	-
Electric Utility Division Mgr	-	1	-	1	-	1	-	1
Electric Utility Program Coord	-	1	-	1	-	1	-	1
Emerg Mgmt & Vol Svc Prog Spec	(1)	1	-	1	-	1	-	1
Emerg Mgmt & Vol Svcs Prog Mgr	-	1	-	1	-	1	-	1
Engineering Division Manager	-	1	-	1	-	1	-	1
Engineering Technician I I	-	1	-	1	-	1	-	1
Enterprise Systems Admin	-	1	-	1	-	1	-	1
Environmental Analyst	-	1	-	1	-	1	-	1
Equipment Operator	-	4	-	4	-	4	-	4
Exec Asst to Mayor / City Council	-	1	-	1	-	1	-	1
Exec. Assistant to the City Manager	-	-	-	-	-	-	-	-
Executive Asst I	-	7	2	9	-	9	-	9
Executive Asst I I	-	1	-	1	-	1	-	1
Facilities Maint Mechanic	-	1	-	1	-	1	-	1
Facilities Maint Worker	-	3	-	3	-	3	-	3
Facilities Maintenance Spvr	(1)	-	-	-	-	-	-	-
Financial Operations Div Mgr	-	1	-	1	-	1	-	1
Financial Resources Div Mgr	-	-	-	-	1	1	-	1
Fire Inspector I	-	-	-	-	2	2	1	3
Fire Inspector I I	-	2	-	2	-	2	-	2
Fire Marshall	-	1	-	1	-	1	(1)	-
Fire Safety Specialist	-	1	-	1	1	2	-	2
Fleet Supervisor	-	-	-	-	-	-	-	-
GIS Administrator	-	1	-	1	-	1	-	1
GIS Specialist	-	1	-	1	-	1	-	1
GIS Technician	-	1	(1)	-	-	-	-	-
Housing Program Coordinator	-	1	-	1	-	1	-	1
Housing Program Specialist	-	3	-	3	(3)	-	-	-
Human Resources Analyst	-	1	-	1	-	1	-	1
Human Resources Div Manager	-	-	-	-	-	-	-	-
Human Resources Technician	(1)	1	(1)	-	-	-	-	-
Info Technology Technician	-	2	-	2	-	2	-	2
Landscape Development Coord	-	1	(1)	-	-	-	-	-
Landscape Irrigation Tech	-	1	-	1	-	1	-	1
Landscape Svcs Inspector	(2)	5	(2)	3	(1)	2	-	2
Lead Animal Care Technician	-	1	-	1	-	1	-	1
Lead Facilities Maint Worker	-	-	-	-	-	-	-	-
Lead Maintenance Worker	-	3	-	3	-	3	-	3
Lead Parks Maint Worker	-	5	-	5	-	5	-	5
Lead Traffic Sign/Marking Tech	-	2	-	2	-	2	-	2
Lead Vehicle / Equip Tech	-	1	-	1	-	1	-	1
Legal Secretary	-	1	-	1	-	1	-	1
Lib Serv Div Mgr	-	1	-	1	(1)	-	-	-
Librarian	-	4	-	4	(4)	-	-	-
Library Asst	-	13	-	13	(13)	-	-	-
Library Circulation Supervisor	-	1	-	1	(1)	-	-	-
Maint & Operations Div Mgr	-	1	-	1	-	1	-	1
Maintenance Worker I	-	-	-	-	7	7	(8)	-
Maintenance Worker II	-	1	-	1	-	1	(1)	-
Maintenance Worker I/II	-	12	-	12	-	12	6	18

**City of Moreno Valley
FY 2014/15
City Position Summary**

Position Title	FY	FY	FY	FY	FY	FY	FY	
	2011/12 Adj.	2011/12 No.	2012/13 Adj.	2012/13 No.	2013/14 Adj.	2013/14 No.	2014/15 Adj.	2014/15 No.
Management Analyst	-	11	3	14	(2)	12	-	12
Management Asst	-	3	-	3	1	4	-	4
Media & Production Coordinator	-	1	-	1	-	1	-	1
Network Administrator	-	1	-	1	-	1	-	1
Network System Specialist	-	-	-	-	-	-	-	-
Office Asst	-	1	-	1	-	1	-	1
Park Ranger	-	3	-	3	-	3	-	3
Parking Control Officer	-	2	-	2	-	2	-	2
Parks & Comm Svcs Director	-	1	-	1	-	1	-	1
Parks & Comm Svcs Div Mgr	-	-	1	1	-	1	-	1
Parks Maint Division Manager	-	1	(1)	-	-	-	-	-
Parks Maint Supervisor	-	2	-	2	-	2	-	2
Parks Maint Worker	-	13	-	13	-	13	-	13
Parks Projects Coordinator	-	1	-	1	-	1	-	1
Payroll Supervisor	-	1	-	1	-	1	-	1
Permit Technician	-	6	-	6	(1)	5	-	5
Planning Commissioner	-	7	-	7	-	7	-	7
Planning Div Mgr / Official	-	1	-	1	-	1	-	1
Principal Accountant	-	1	-	1	-	1	-	1
Purch & Facilities Div Mgr	-	1	-	1	-	1	-	1
PW Director / City Engineer	-	1	-	1	-	1	-	1
PW Program Manager	-	-	-	-	-	-	-	-
Recreation Program Coord	-	2	(1)	1	-	1	-	1
Recreation Program Leader	-	7	-	7	-	7	-	7
Recreation Supervisor	-	-	1	1	-	1	-	1
Recycling Specialist	-	-	-	-	1	1	-	1
Resource Analyst	-	-	-	-	-	-	-	-
Risk Division Manager	-	1	(1)	-	-	-	-	-
Security Guard	(1)	2	-	2	-	2	-	2
Spec Dist Budg & Accting Spvr	(1)	-	-	-	-	-	-	-
Spec Districts Div Mgr	-	1	-	1	-	1	-	1
Special Districts Prog Mgr	-	1	-	1	-	1	-	1
Sr Accountant	-	1	-	1	-	1	-	1
Sr Administrative Asst	(5)	14	2	16	(2)	14	-	14
Sr Applications Analyst	-	-	-	-	-	-	-	-
Sr Citizens Center Coord	-	1	-	1	-	1	-	1
Sr Code Compliance Officer	(1)	-	-	-	-	-	-	-
Sr Customer Service Asst	-	3	-	3	-	3	-	3
Sr Deputy Clerk	-	-	-	-	-	-	-	-
Sr Electrical Engineer	-	1	-	1	-	1	-	1
Sr Engineer, P.E.	(2)	9	-	9	-	9	-	9
Sr Engineering Technician	-	1	-	1	-	1	-	1
Sr Equipment Operator	-	1	-	1	-	1	-	1
Sr Financial Analyst	-	2	-	2	-	2	-	2
Sr GIS Analyst	-	1	-	1	-	1	-	1
Sr Graphics Designer	-	1	-	1	-	1	-	1
Sr Human Resources Analyst	-	1	-	1	-	1	-	1
Sr IT Technitian	-	-	-	-	-	-	-	-
Sr Landscape Svcs Inspector	-	1	-	1	-	1	-	1
Sr Management Analyst	-	2	-	2	-	2	-	2
Sr Office Asst	(1)	5	-	5	(1)	4	-	4
Sr Park Ranger	(1)	-	-	-	-	-	-	-
Sr Parking Control Officer	-	1	-	1	-	1	-	1
Sr Parks Maint Technician	-	1	1	2	-	2	-	2
Sr Payroll Technician	-	1	-	1	-	1	-	1
Sr Permit Technician	-	2	-	2	-	2	-	2

City of Moreno Valley
 FY 2014/15
 City Position Summary

Position Title	FY	FY	FY	FY	FY	FY	FY	
	2011/12 Adj.	2011/12 No.	2012/13 Adj.	2012/13 No.	2013/14 Adj.	2013/14 No.	2014/15 Adj.	2014/15 No.
Sr Planner	-	2	-	2	-	2	-	2
Sr Recreation Program Leader	-	2	-	2	-	2	-	2
Sr Telecomm Technician	-	1	-	1	-	1	-	1
Sr Traffic Engineer	-	1	-	1	-	1	-	1
Sr Traffic Signal Technician	-	1	-	1	-	1	-	1
Storekeeper	-	1	-	1	-	1	-	1
Storm Water Prog Mgr	-	1	-	1	-	1	-	1
Street Maintenance Supervisor	-	2	-	2	-	2	-	2
Sustainability and Intergovernmental Programs Manager	-	-	-	-	1	1	-	1
Technology Services Div Mgr	-	1	-	1	-	1	-	1
Telecomm Engineer / Admin	-	1	-	1	-	1	-	1
Telecomm Technician	-	1	-	1	-	1	-	1
Traffic Operations Supervisor	-	1	-	1	-	1	-	1
Traffic Sign / Marking Tech I	-	1	-	1	-	1	-	1
Traffic Sign/Marking Tech II	-	2	-	2	-	2	-	2
Traffic Signal Technician	-	2	-	2	-	2	-	2
Trans Div Mgr / City Traf Engr	-	1	-	1	-	1	-	1
Treasury Operations Div Mgr	-	1	-	1	-	1	-	1
Tree Trimmer	-	1	-	1	-	1	-	1
Vehicle / Equipment Technician	-	2	-	2	1	3	-	3
Web Master	-	-	-	-	-	-	-	-
Subtotal	(35)	376	2	378	(18)	360	(3)	358
Temporary Positions	(44)	121	(17)	104	(15)	89	(1)	88
Total	(79)	497	(15)	482	(33)	449	(4)	446

* Excludes City Council Members

CITY OF MORENO VALLEY: FY 2013/14 YEAR END BUDGET REVIEW
FY 2014/15 FIRST QUARTER BUDGET REVIEW

PRESENTATION BY: Michelle Dawson, City Manager
Rick Teichert, Chief Financial Officer
Marshall Eyerman, Financial Resources Division Manager



Presentation Overview

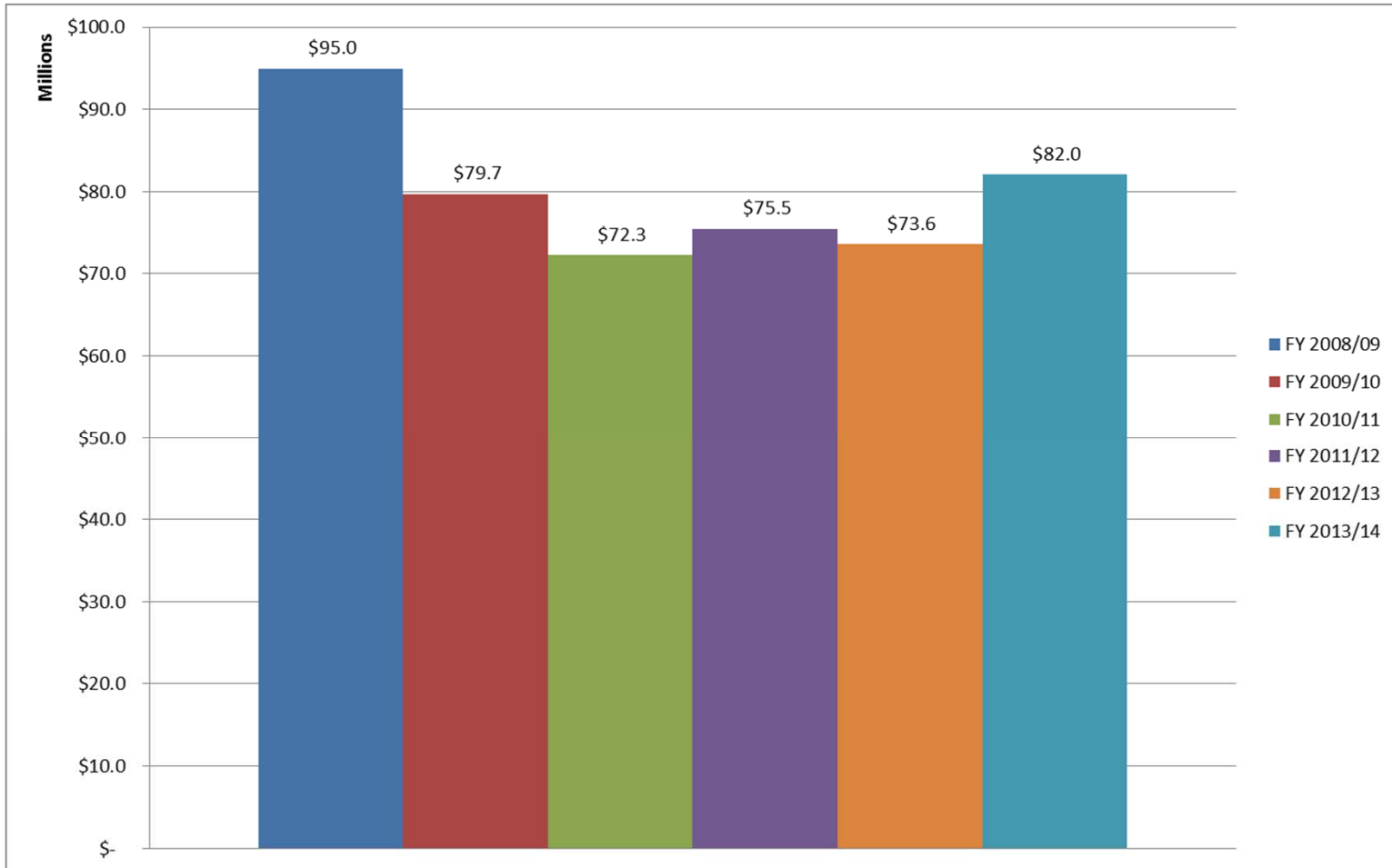
- Review of FY 2013/14 Year End Results
- FY 2014/15 First Quarter Budget Review
- FY 2014/15 Recommended Changes

FY 2013/14 General Fund Operating Results - Revenues

- Results within 4% of budget
- Reflects positive growth and one-time revenues

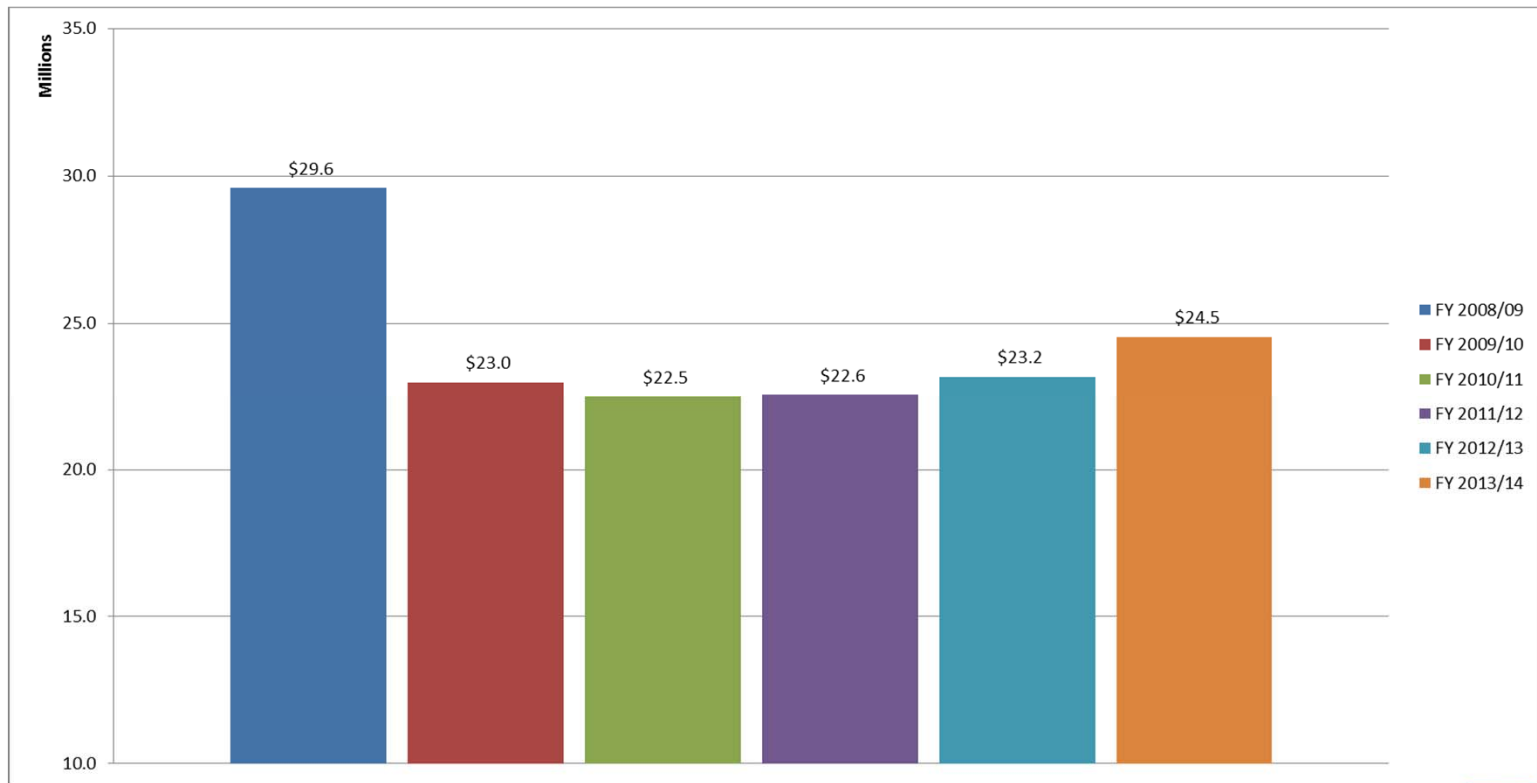
	FY 2013/14 Amended Budget	Actuals as of 6/30/2014 (unaudited)	Variance \$	% of Amended Budget
Revenues:				
Taxes:				
Property Tax	\$ 9,647,100	\$ 10,668,782	\$ 1,021,682	111%
Property Tax in-lieu	13,840,000	13,871,754	31,754	100%
Utility Users Tax	16,114,000	15,595,141	(518,859)	97%
Sales Tax	15,570,000	15,887,130	317,130	102%
Other Taxes	7,965,000	8,576,927	611,927	108%
Licenses & Permits	1,764,000	2,164,752	400,752	123%
Intergovernmental	235,000	311,510	76,510	133%
Charges for Services	9,224,707	9,896,025	671,318	107%
Use of Money & Property	2,688,000	2,836,585	148,585	106%
Fines & Forfeitures	601,500	577,961	(23,539)	96%
Miscellaneous	51,400	492,820	441,420	959%
Transfers In	1,247,063	1,163,421	(83,642)	93%
Total Revenues	\$ 78,947,770	\$ 82,042,808	\$ 3,095,038	104%

FY 2013/14 General Fund Operating Results - Revenues



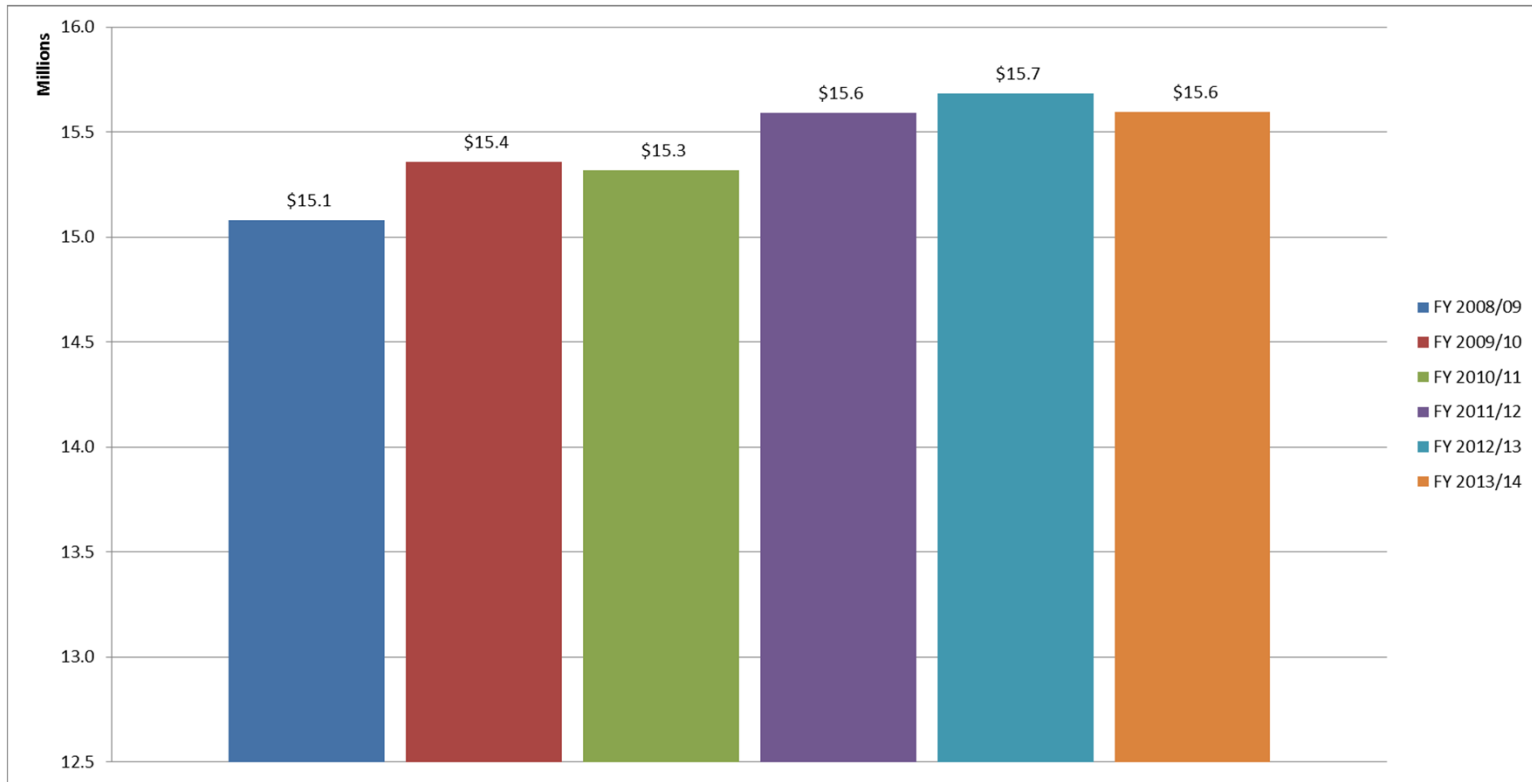
FY 2013/14 General Fund Operating Results

- Property Tax Revenues
- Results within 4.5% of budget
- Growth from:
 - County adjustments to assessment appeals
 - Prior redevelopment redistribution



FY 2013/14 General Fund Operating Results

- Utility Users Tax Revenues
- No growth due to:
 - Lower natural gas prices
 - Cell phone costs decreases due to bundling and competitive pricing



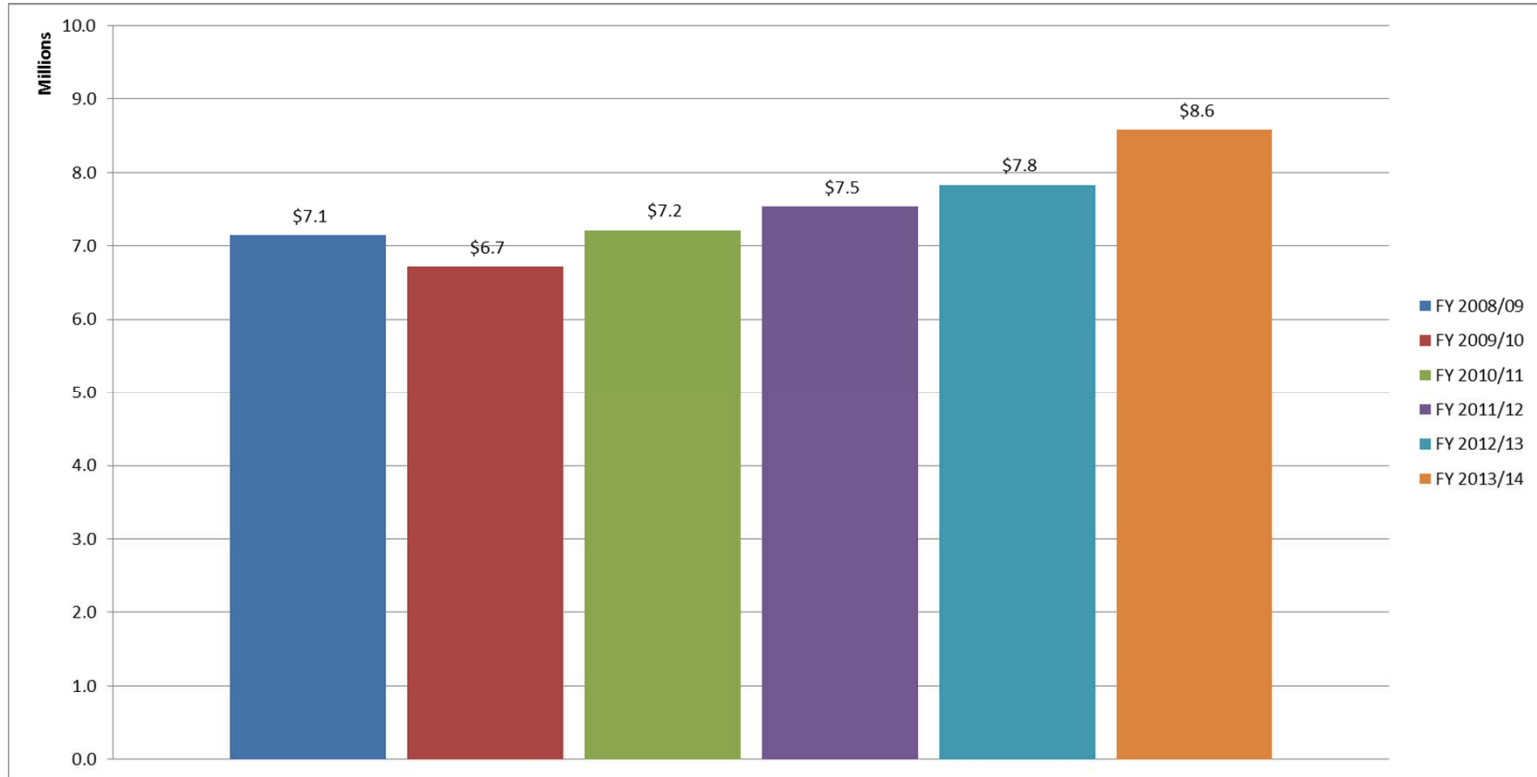
FY 2013/14 General Fund Operating Results

- Sales Tax Revenues
- Budgeted to increase approx. 11%
- May stabilize in the future



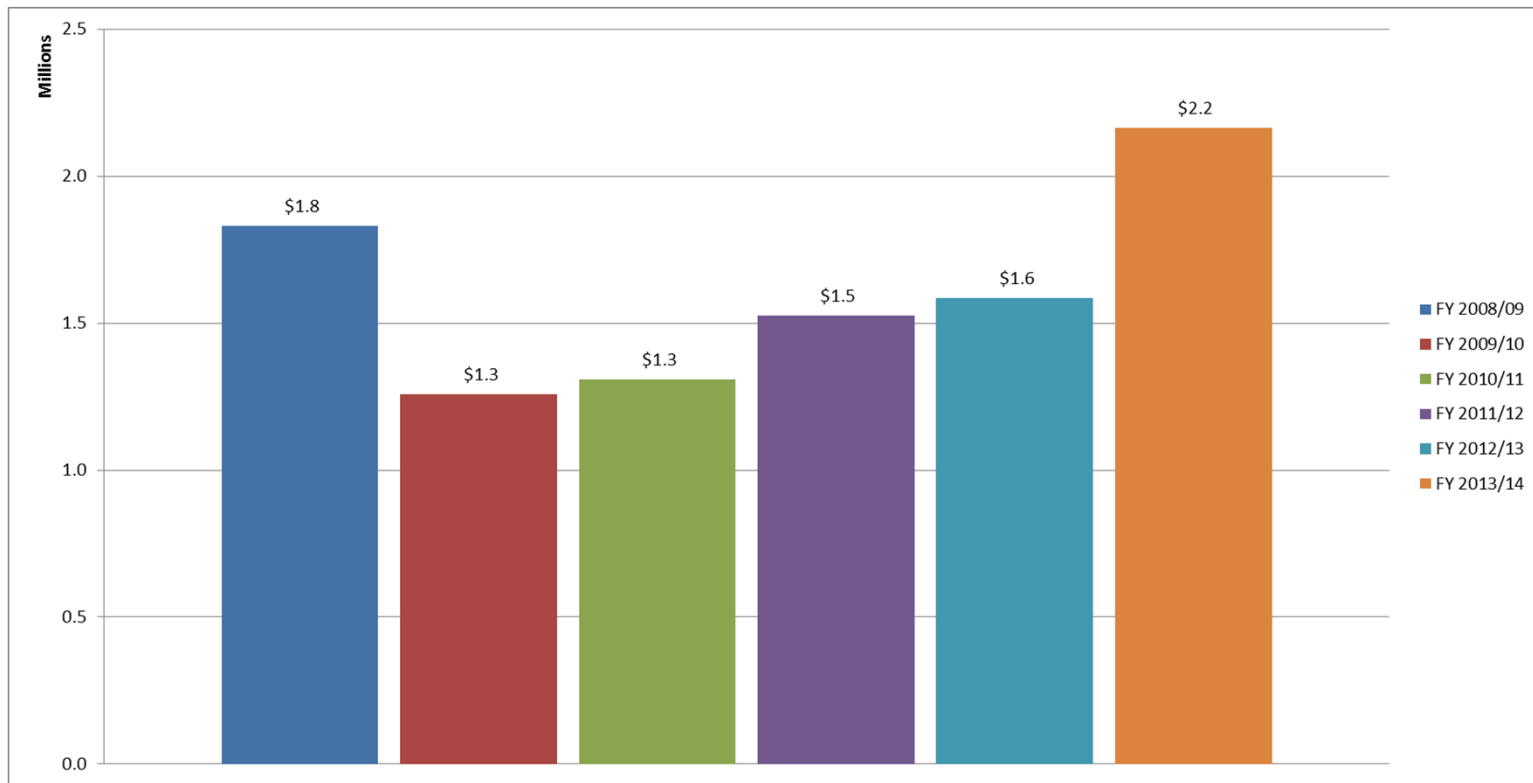
FY 2013/14 General Fund Operating Results

- Other Tax Revenues
- Growth seen in Transient Occupancy Tax and Business Taxes



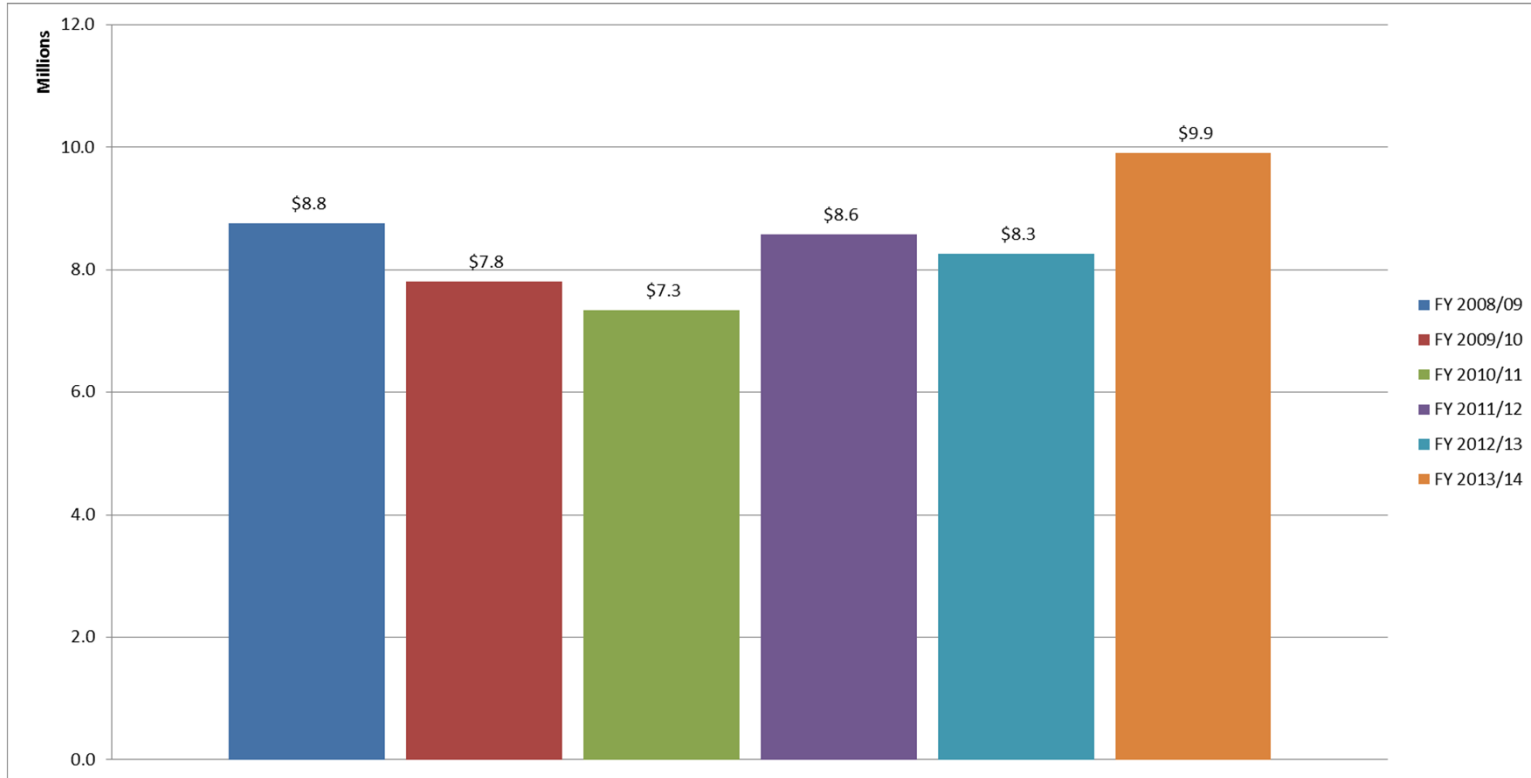
FY 2013/14 General Fund Operating Results

- Licenses and Permits Revenues
 - Business and Animal Licenses, along with Building, Electrical, Mechanical, Plumbing and other permits
- Growth due to new development



FY 2013/14 General Fund Operating Results

- Charges for Services Revenues
 - Includes Plan Check Fees for Building & Safety, Fire, and Engineering
- Growth due to new development

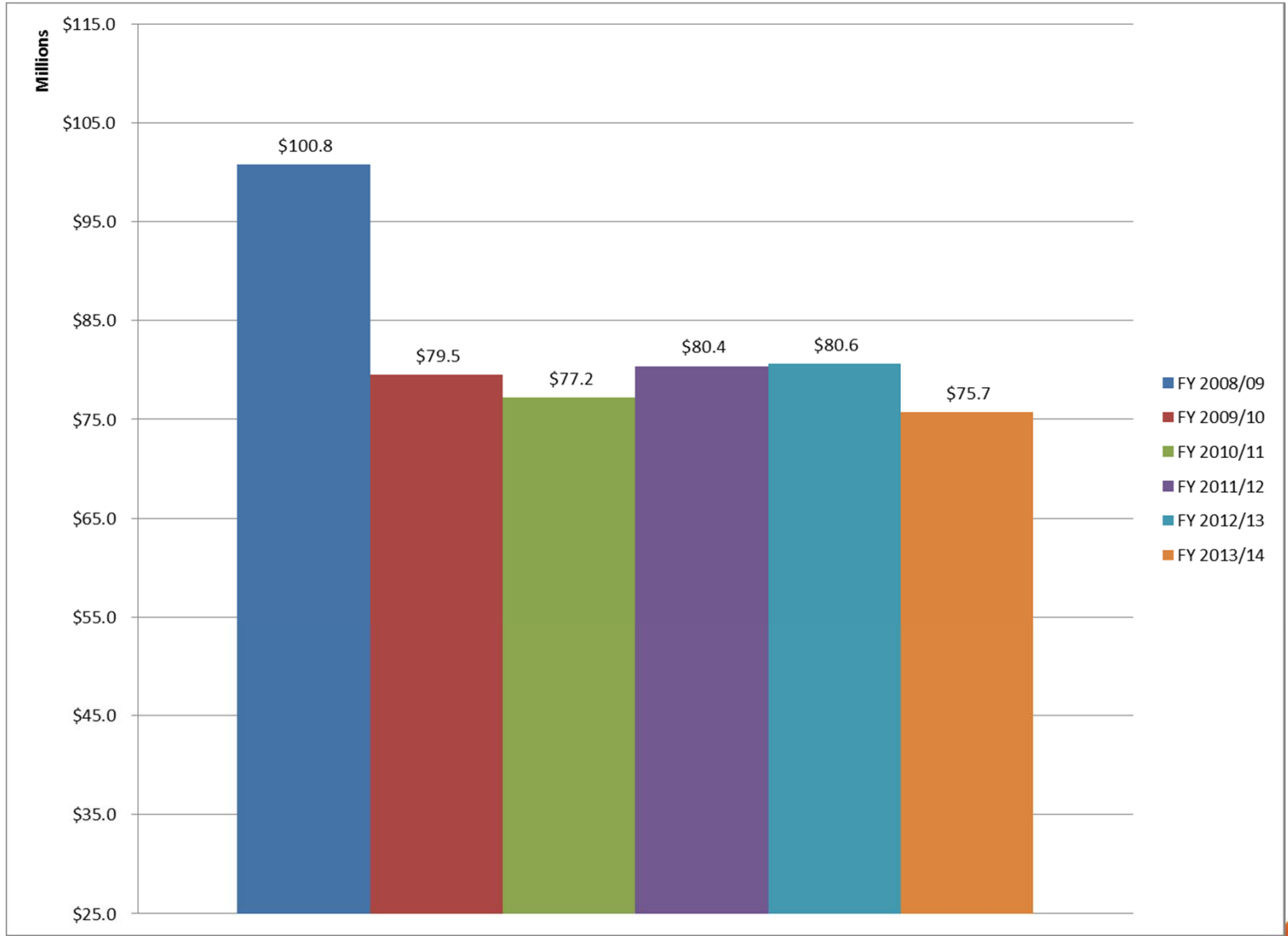


FY 2013/14 General Fund Operating Results - Expenses

- Results within 4% of budget
- Reflects increased cost controls and savings

Department	FY 2013/14 Amended Budget	Actuals as of 6/30/2014 (unaudited)	Variance \$	% of Amended Budget
City Council	\$ 654,113	\$ 642,586	\$ (11,527)	98%
City Clerk	541,202	573,397	32,195	106%
City Manager	1,917,210	1,915,196	(2,014)	100%
City Attorney	776,045	869,430	93,385	112%
Community & Economic Development	5,714,662	5,344,293	(370,369)	94%
Financial & Management Services	3,091,265	2,844,704	(246,561)	92%
Administrative Services	3,764,674	3,544,102	(220,572)	94%
Public Works	4,465,001	3,974,832	(490,169)	89%
Non-Departmental	2,796,980	3,435,439	638,459	123%
Non-Public Safety Subtotal	23,721,152	23,143,979	(577,173)	98%
Public Safety				
Police	37,552,195	36,042,648	(1,509,547)	96%
Fire	17,507,212	16,545,719	(961,493)	95%
Public Safety Subtotal	55,059,407	52,588,366	(2,471,041)	96%
Total	\$ 78,780,559	\$ 75,732,346	\$ (3,048,213)	96%

FY 2013/14 General Fund Operating Results - Expenses



FY 2013/14 General Fund Results

Revenues		82,042,808
Expenditures		(75,732,346)
Net Operations	\$	6,310,462
CIP Expenditures		(128,912)
Net Change of Fund Balance	\$	6,181,550

Fund Balance Summary	FY 2012/13	FY 2013/14	Variance
Assigned/Restricted	\$ 8,845,251	\$ 13,019,130	\$ 4,173,879
Unassigned	25,528,774	27,536,445	2,007,671
Total Fund Balance	\$ 34,374,025	\$ 40,555,575	\$ 6,181,550

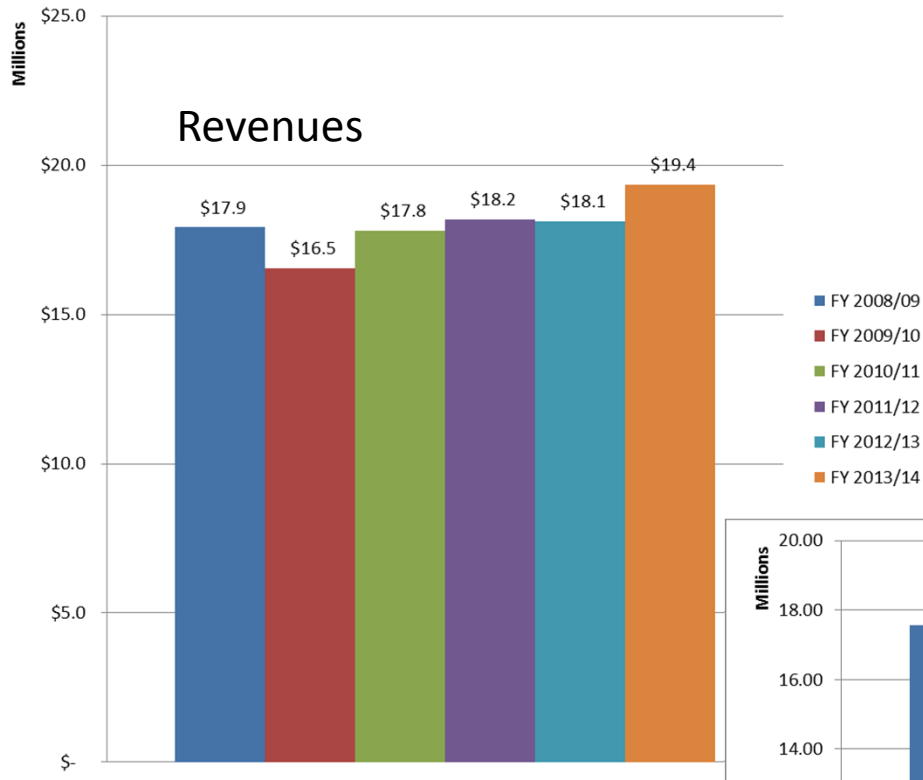
- Unassigned funds may be used to cover annual cash flow requirements and reserves.



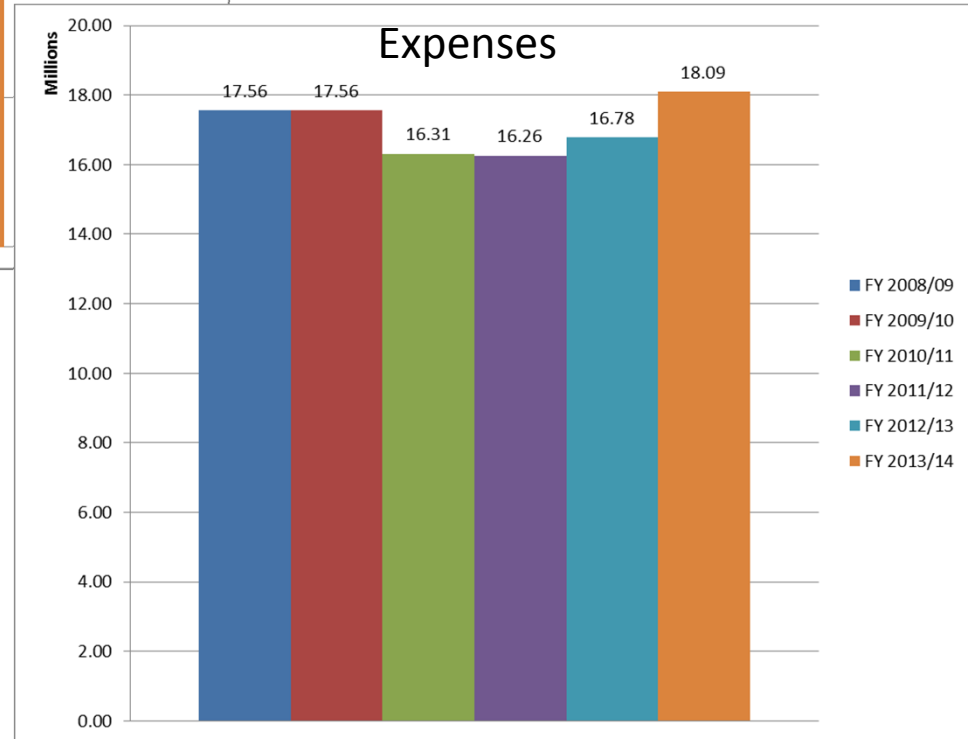
FY 2013/14 Community Services District Operating Results

	FY 2013/14 Amended Budget	Actuals as of 6/30/2014 (unaudited)	% of Amended Budget
Revenues:			
Taxes:			
Property Tax	\$ 3,188,300	\$ 3,612,752	113.3%
Other Taxes	6,322,000	6,350,448	100.4%
Intergovernmental	-	4,660	
Charges for Services	5,865,531	5,958,398	101.6%
Use of Money & Property	614,221	725,735	118.2%
Fines & Forfeitures	50,000	41,980	84.0%
Miscellaneous	20,580	480,449	2334.5%
Transfers In	2,459,771	2,183,135	88.8%
Total Revenues	18,520,403	19,357,557	104.5%
Expenditures:			
Library Services Fund (5010)	\$ 2,145,013	\$ 2,122,497	99.0%
Zone A Parks Fund (5011)	9,343,871	8,688,301	93.0%
LMD 2014-01 Residential Street Lighting Fund (5012)	1,683,805	1,506,095	89.4%
Zone C Arterial Street Lighting Fund (5110)	1,188,385	1,101,899	92.7%
Zone D Standard Landscaping Fund (5111)	1,096,642	1,042,870	95.1%
Zone E Extensive Landscaping Fund (5013)	2,628,085	2,205,414	83.9%
Zone M Median Fund (5112)	285,224	244,721	85.8%
CFD No. 1 (5113)	1,226,277	1,129,789	92.1%
Zone S (5114)	66,328	47,422	71.5%
Total Expenditures	19,663,630	18,089,007	92.0%
Net Change or Adopted Use of Fund Balance	\$ (1,143,227)	\$ 1,268,550	

FY 2013/14 Community Services District Operating Results



- Voter approved services and charges



FY 2013/14 Community Services District Operating Results

- Parks and Community Services - Zone A

	FY 2013/14 Amended Budget	Actuals as of 6/30/2014 (unaudited)	% of Amended Budget
Revenues:			
Taxes:			
Property Tax	\$ 1,709,000	\$ 1,880,818	110.1%
Other Taxes	4,900,000	4,945,843	100.9%
Charges for Services	1,067,122	1,036,384	97.1%
Use of Money & Property	583,900	578,517	99.1%
Miscellaneous	18,100	15,018	83.0%
Transfers In	424,136	307,500	72.5%
Total Revenues	8,702,258	8,764,080	100.7%
Expenditures:			
35010 Parks & Comm Svcs - Admin	\$ 591,679	\$ 631,654	106.8%
35210 Park Maintenance - General	3,237,870	2,850,318	88.0%
35211 Contract Park Maintenance	464,403	309,200	66.6%
35212 Park Ranger Program	384,056	351,687	91.6%
35213 Golf Course Program	264,804	281,470	106.3%
35214 Parks Projects	180,534	194,936	108.0%
35310 Senior Program	620,371	555,658	89.6%
35311 Community Services	198,218	160,680	81.1%
35312 Community Events	95,881	108,198	112.8%
35313 Conf & Rec Cntr	632,947	568,610	89.8%
35314 Conf & Rec Cntr - Banquet	331,004	307,303	92.8%
35315 Recreation Programs	1,787,911	1,853,783	103.7%
35317 July 4th Celebration	143,893	122,017	84.8%
95011 Non-Dept Zone A Parks	410,300	392,787	95.7%
Total Expenditures	9,343,871	8,688,301	93.0%
Net Change or Adopted Use of Fund Balance	\$ (641,613)	\$ 75,779	

FY 2013/14 Moreno Valley Utility Operating Results

- Moreno Valley Utility (MVU) manages the operation, maintenance and business planning of the City's electric utility.

	FY 2013/14 Amended Budget	Actuals as of 6/30/2014 (unaudited)	% of Amended Budget
Revenues:			
Charges for Services	\$ 18,915,548	\$ 20,627,687	109.1%
Use of Money & Property	80,500	91,064	113.1%
Miscellaneous	123,488	1,302,521	1054.8%
Transfers In	150,000	904,032	602.7%
Total Revenues	19,269,536	22,925,304	119.0%
Expenditures:			
45510 Electric Utility - General	\$ 16,238,850	\$ 17,716,625	109.1%
45511 Public Purpose Program	1,199,111	931,102	77.6%
45520 2007 Taxable Lease Rev Bonds	1,835,144	1,841,425	100.3%
45530 2005 Lease Revenue Bonds	302,441	294,364	97.3%
96030 Non-Dept 2005 Lease Revenue Bonds	-	-	
96031 Non-Dept 2013 Refunding 05 LRB	20,322	17,792	
Total Expenditures	19,595,868	20,801,308	106.2%
Net Change or Adopted Use of Fund Balance	\$ (326,332)	\$ 2,123,996	

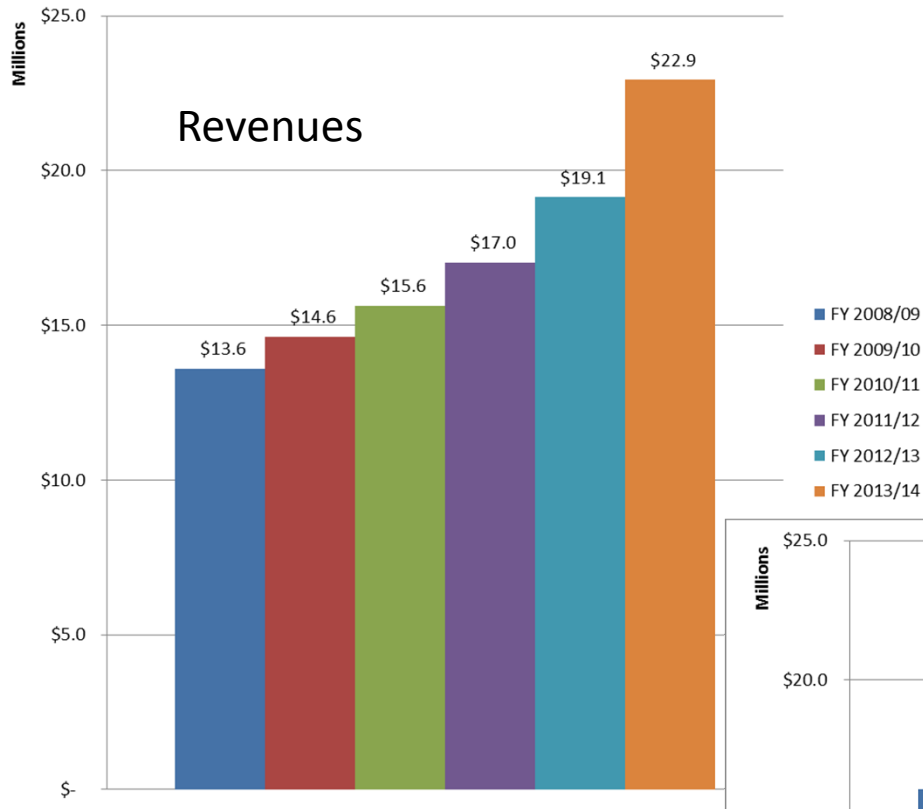
FY 2013/14 Moreno Valley Utility Operating Results

Revenues		22,925,304	
Expenditures		(20,801,308)	
Net Operations	\$	2,123,996	
Net Investment in infrastructure		(235,602)	
Net Change of Fund Balance	\$	1,888,394	

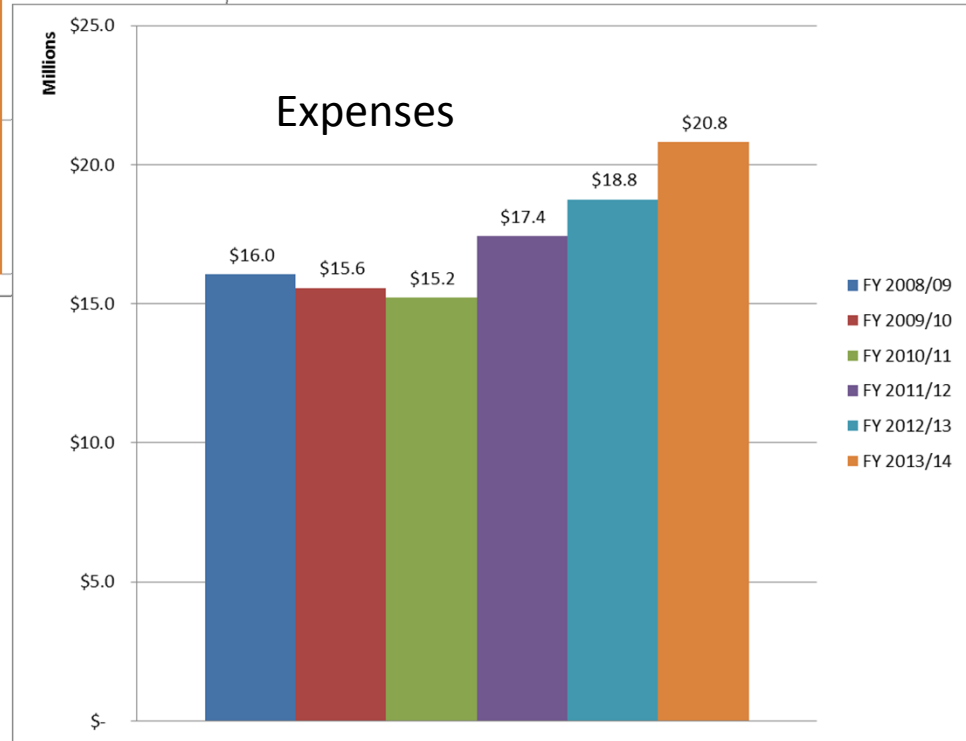
Fund Balance Summary	FY 2012/13	FY 2013/14	Variance
Restricted - Public Purpose	3,444,969	3,903,663	458,694
Inv in Capital Assets	9,052,878	9,569,296	516,418
Unrestricted	(652,825)	260,457	913,282
Total Fund Balance	\$ 11,845,022	\$ 13,733,416	\$ 1,888,394

- Unrestricted funds may be used to cover annual cash flow requirements and reserves.

FY 2013/14 Moreno Valley Utility Operating Results



- Reflects continued growth of the utility



FY 2014/15 General Fund Operating Results – First Quarter

- Revenues
 - In-line with projections
 - Major revenues sources may not occur in the first quarter

	FY 2014/15 Adopted Budget	FY 2014/15 Amended Budget	Actuals as of 9/30/2014 (unaudited)	% of Amended Budget
Revenues:				
Taxes:				
Property Tax	\$ 9,803,900	\$ 11,083,551	\$ 0	0.0%
Property Tax in-lieu	13,890,000	14,912,136	-	0.0%
Utility Users Tax	16,428,000	15,912,000	3,184,284	20.0%
Sales Tax	16,420,000	17,638,770	1,147,380	6.5%
Other Taxes	8,185,000	8,266,100	736,806	8.9%
Licenses & Permits	1,519,200	1,519,200	465,652	30.7%
Intergovernmental	235,000	235,000	39,299	16.7%
Charges for Services	8,977,274	9,342,770	2,010,638	21.5%
Use of Money & Property	2,589,600	2,589,600	(176,625)	-6.8%
Fines & Forfeitures	606,500	606,500	70,785	11.7%
Miscellaneous	51,400	281,400	247,106	87.8%
Total Revenues	\$ 78,705,874	\$ 82,387,027	\$ 7,725,324	9.4%

FY 2014/15 General Fund Operating Results – First Quarter

- Expenses
 - Three months or 25% of the year has passed
 - In-line with projections

Department	FY 2014/15 Amended Budget	Actuals as of 9/30/2014 (unaudited)	% of Amended Budget
City Council	\$ 668,537	\$ 135,896	20.3%
City Clerk	662,185	114,556	17.3%
City Manager	1,863,226	382,844	20.5%
City Attorney	619,963	208,006	33.6%
Community & Economic Development	5,828,344	1,230,548	21.1%
Financial & Management Services	3,472,927	658,282	19.0%
Administrative Services	3,993,099	808,980	20.3%
Public Works	4,692,049	848,341	18.1%
Non-Departmental	3,575,470	1,416,769	39.6%
Non-Public Safety Subtotal	25,375,800	5,804,222	22.9%
Public Safety			
Police	39,476,236	9,390,484	23.8%
Fire	18,472,564	4,294,666	23.2%
Public Safety Subtotal	57,948,800	13,685,150	23.6%
Total	\$ 83,324,600	\$ 19,489,372	



Position Control Roster

- Position Control – Proposed Changes
 - The Public Works Department is requesting to eliminate three vacant part-time Maintenance Worker positions and convert the remaining six positions into full-time positions. This adjustment will allow for increased services, while not requiring any increase in the budget.

<u>Department / Position Title</u>	FY 2014/15 Position Adjustment
<u>Public Works</u>	
Maintenance Worker I (P/T)	(9)
Maintenance Worker I/II (F/T)	6

Financial Updates

- March 2015: FY 2014/15 Mid-Year Budget Adjustments

FY 2015/16-2016/17 Budget Process

- Dec. 2014 – May 2015: Council Briefings
- **Jan. 13, 2015:** **Fiscal Challenges**
- Jan. – March 2015: Study Sessions
- April – June 2015: Public Hearings
- June 2015: Budget Adopted

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ORDINANCE NO. 886

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPROVING PA14-0054 (CHANGE OF ZONE) CHANGING THE ZONING FROM RESIDENTIAL 20 (R20) TO RESIDENTIAL 30 (R30) ON FOUR PARCELS APPROXIMATELY 13.9 ACRES (APNS: 291-050-003, 291-050-004, 291-050-012 AND 291-050-013) LOCATED AT THE SOUTHEAST CORNER OF BOX SPRINGS ROAD AND CLARK STREET

The City Council of the City of Moreno Valley does ordain as follows:

SECTION 1.

1.1 Pursuant to the provisions of law, public hearings were held before the City of Moreno Valley Planning Commission and the City Council.

1.2 The matter was fully discussed and the public and other agencies were invited to and/or presented testimony and documentation.

1.3 Page 44 of the City of Moreno Valley Official Zoning Atlas shall be modified to reflect the Zone Change (PA14-0054) of the four parcels into Residential 30 (R30).

1.4. An Initial Study has been completed for PA14-0054 (Zone Change). Based upon the Initial Study, a determination has been made that this project will not result in a significant impact to the environment. Therefore, adoption of a Negative Declaration is appropriate.

SECTION 2: FINDINGS

2.1 With respect to the proposed change to page 44 of the City of Moreno Valley Official Zoning Atlas, and based upon substantial evidence presented to the City Council during the public hearing on October 14, 2014, including written and oral staff reports, and the record from the public hearing, the City Council hereby specifically finds as follows:

1. Conformance with General Plan Policies – The proposed Change of Zone is consistent with the General Plan and its goals, objectives, policies and programs.

FACT: The project includes two applications, a General Plan Amendment and Zone Change to change the existing land use designation for four parcels (Assessor's Parcel Numbers 291-050-003, 291-050-004, 291-050-012 AND 291-050-013) to Residential 30 (R30). This project proposes to change the General

Plan designation from Residential 20 (R20) to Residential 30 (R30) and the zoning designation from Residential 20 (R20) to Residential 30 (R30).

With the approval of the General Plan Amendment, the proposed zone change would be consistent with the General Plan's goals and policies. There is no development application associated with the proposed land use change. The request for the General Plan Amendment and Change of Zone was made by the owner of the property, Oak Parc Partners LP.

The Transportation Engineering Division required a traffic letter for the General Plan Amendment/Change of Zone to address the potential impacts with an increase in dwelling units from the existing R20 zoning to a R30 zoning. Based on their review, no unacceptable service levels or other negative impacts to the City's circulation system have been identified.

2. Health, Safety and Welfare – The proposed Change of Zone will not be detrimental to public health, safety or welfare or materially injurious to properties or improvements in the vicinity.

FACT: The proposed Change of Zone will not adversely affect public health, safety or general welfare. An Initial Study has been prepared in accordance with the provisions of the California Environmental Quality Act (CEQA). Based on the Initial Study, it was determined that the potential impacts of the project are at a less than significant level. A Negative Declaration is recommended.

3. Conformance with Title 9 – The proposed amendment to change the zoning atlas is consistent with the purposes and intent of Title 9.

FACT: As proposed, the Change of Zone from Residential 20 (R20) to R30 (Residential 30) for the 13.9 acres is consistent with the purposes and intent of Title 9. A residential development under the R30 would continue to further the comprehensive and orderly development of the site and surrounding areas. The proposed Residential 30 (R30) use is compatible with the established land use designations of the parcels in the area.

SECTION 3: ZONE CHANGE

3.1 Based on the findings contained in Section 2 of this Ordinance, the City Council hereby adopts a Zone Change to change the zoning district from Residential 20 (R20) to R30 (Residential 30) for the approximately 13.9 acres located at the south of Box Springs Road west of Day Street (APNs: 291-050-003, 291-050-004, 291-050-012 and 291-050-013), subject to the revised zoning designations depicted in the attached Exhibit A.

SECTION 4: EFFECT OF ENACTMENT

4.1 Except as specifically provided herein, nothing contained in this ordinance shall be deemed to modify or supersede any prior enactment of the City Council which addresses the same subject addressed herein.

SECTION 5: NOTICE OF ADOPTION

5.1 Within fifteen days after the date of adoption hereof, the City Clerk shall certify to the adoption of this ordinance and cause it to be posted in three public places within the city.

SECTION 6: EFFECTIVE DATE

6.1 This ordinance shall take effect thirty days after the date of its adoption.

APPROVED AND ADOPTED this 9th day of December, 2014.

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

ORDINANCE JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Ordinance No. 886 had its first reading on October 28, 2014 and had its second reading on December 9, 2014, and was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 9th day of December, 2014, by the following vote:

AYES:

NOES:

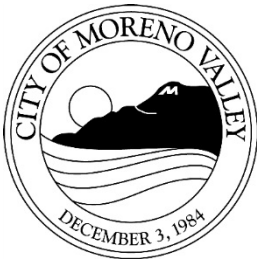
ABSENT:

ABSTAIN:

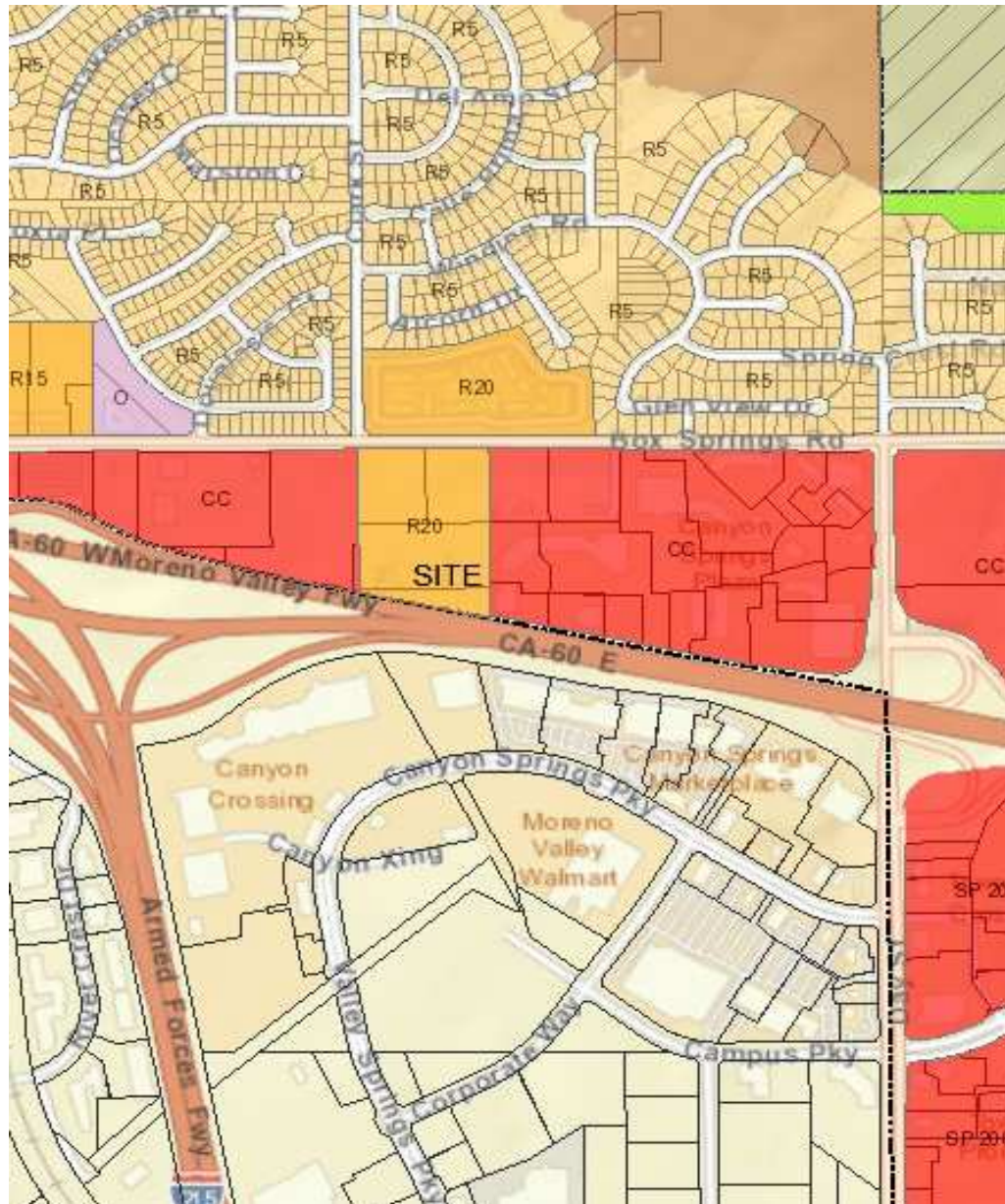
(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

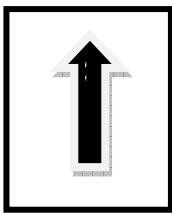
(SEAL)



CHANGE OF ZONE
ORDINANCE NO. 886
 (Related to PA14-0054)
 Date Adopted: December 9, 2014
 Effective Date:



Proposed Zoning: Residential 30 (R30)	Residential 30
Current Zoning: Residential 20 (R20)	Residential 20



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